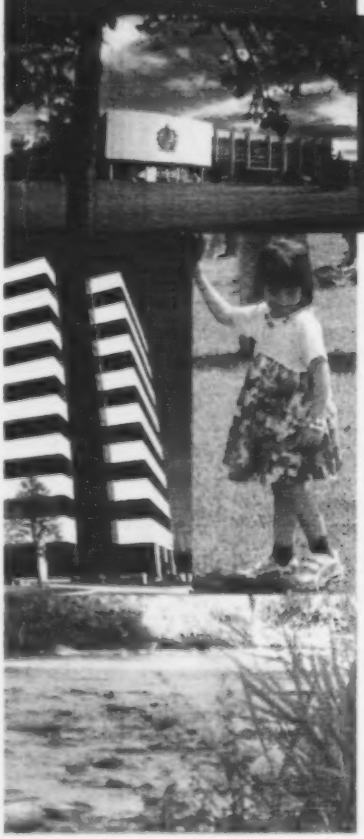
DURHAM REGION

"Service Excellence for our Communities"



The Corporation of the
Regional Municipality of Durham
Ontario, Canada

# 2002 ANNUAL REPORT

**For the Year Ended December 31, 2002**

**- Ajax - Brock - Clarington - Oshawa - Pickering -**
**- Scugog - Uxbridge - Whitby -**

2008-04911/

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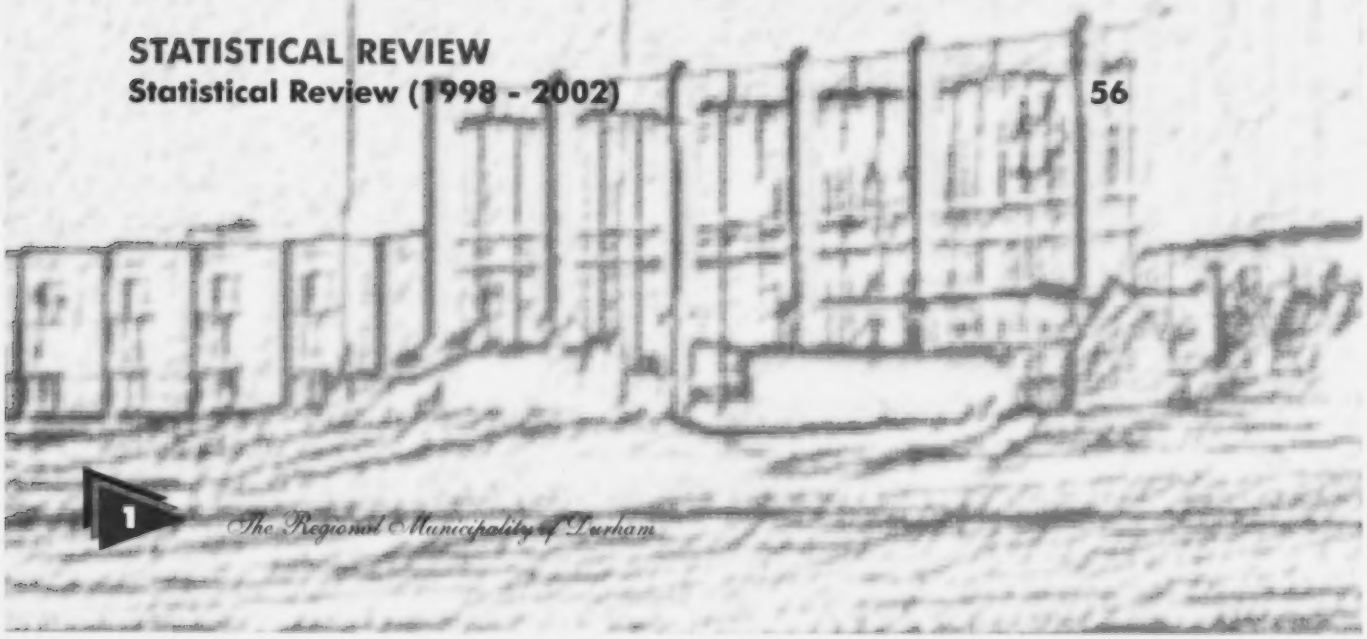

**The Regional Municipality of Durham**
**605 Rossland Road East, Whitby, L1N 6A3**

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**E-mail** info@region.durham.on.ca
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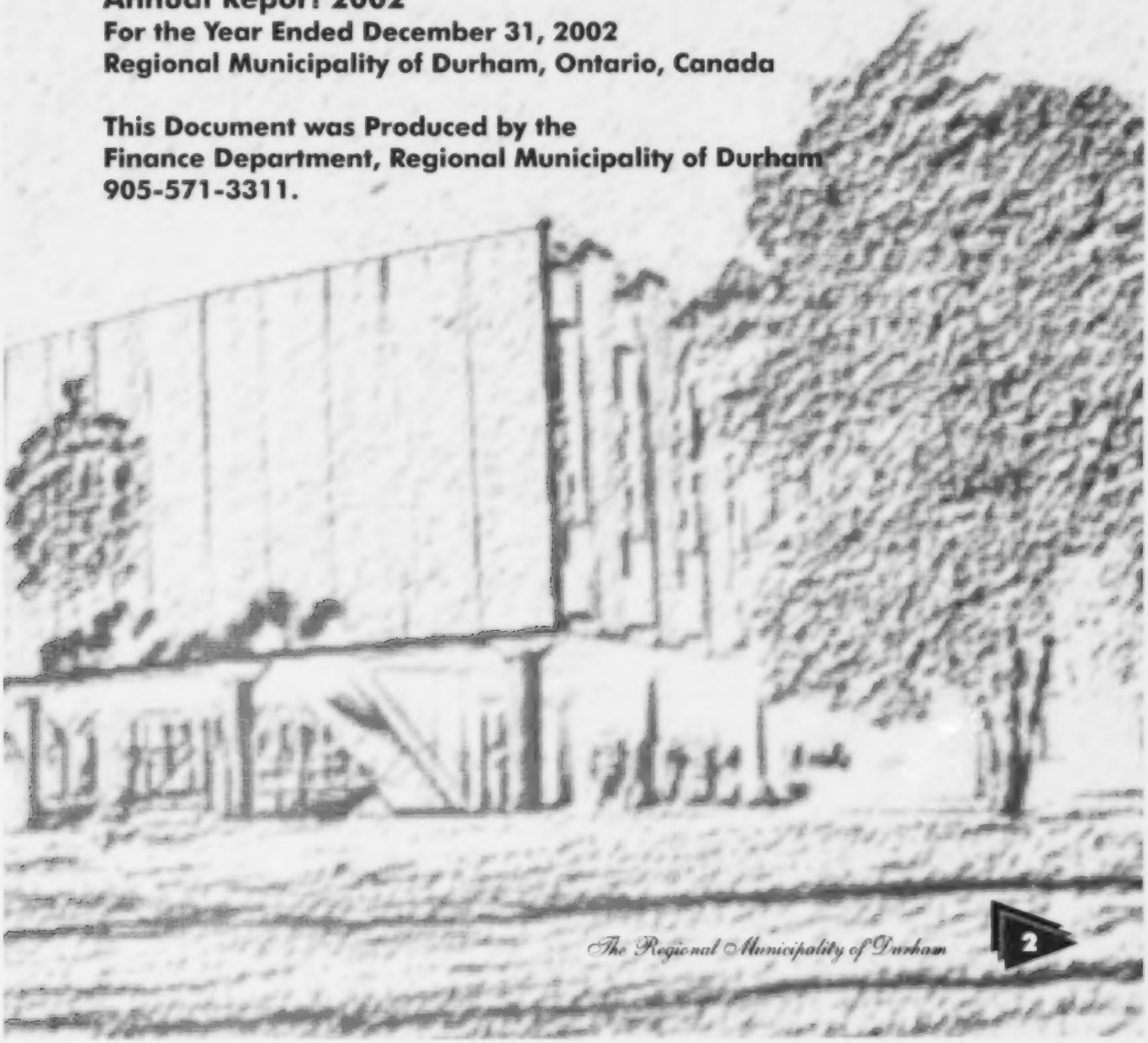
# Annual Report 2002

**For the Year Ended December 31, 2002**
**Regional Municipality of Durham, Ontario, Canada**

**This Document was Produced by the**
**Finance Department, Regional Municipality of Durham**
**905-571-3311.**



# INTRODUCTORY INFORMATION

## Durham Region
### A SNAPSHOT

Characterized by vibrant urban and rural communities and thriving commercial and industrial sectors, Durham is located in the economic centre of Ontario, immediately adjacent to and east of the City of Toronto. Durham is part of the Golden Horseshoe, an economic powerhouse stretching around the western end of Lake Ontario. The Region shares prime access to the Great Lakes and the north eastern markets of the continent, encompassing over 120 million people.

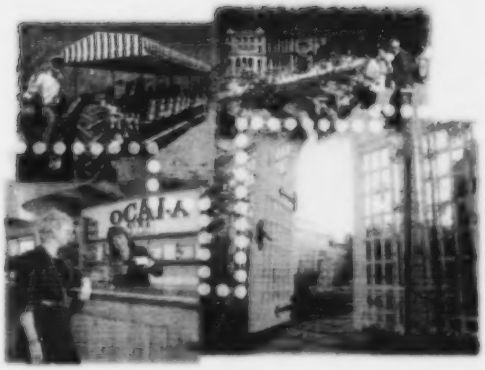
The Region of Durham is enjoying sustained growth as employers and employees discover a wealth of opportunities and an unsurpassed quality of life. There has been a recent dramatic increase in residential development, characterized by a young and skilled labour force.

The Region has long been known for the strength of its manufacturing sector, located primarily in the south. The northern portion of the Region encompasses numerous headwaters and the rolling hills and hollows of the beautiful Oak Ridges Moraine. Here, in addition to bountiful farmlands, you find the prime recreational lands of Lakes Simcoe and Scugog.

The municipalities that comprise the Region of Durham are the Cities of Oshawa and Pickering, the Towns of Ajax and Whitby, the Municipality of Clarington and the Townships of Uxbridge, Scugog and Brock.

High quality municipal services and excellent transportation networks, public utilities, and social and health infrastructures support the mix of urban and rural lifestyles in the Region of Durham.

# Facts and Figures...




**POPULATION** 551,000
(May 2002)

**LAND AREA** 2,471 square kilometres
(954 square miles)

## Key Economic Sectors

Automotive
Energy & Utility
Advanced Manufacturing
Agriculture & Horticulture
Transportation
Education & Health
Tourism & Entertainment

## Sample of Attractions

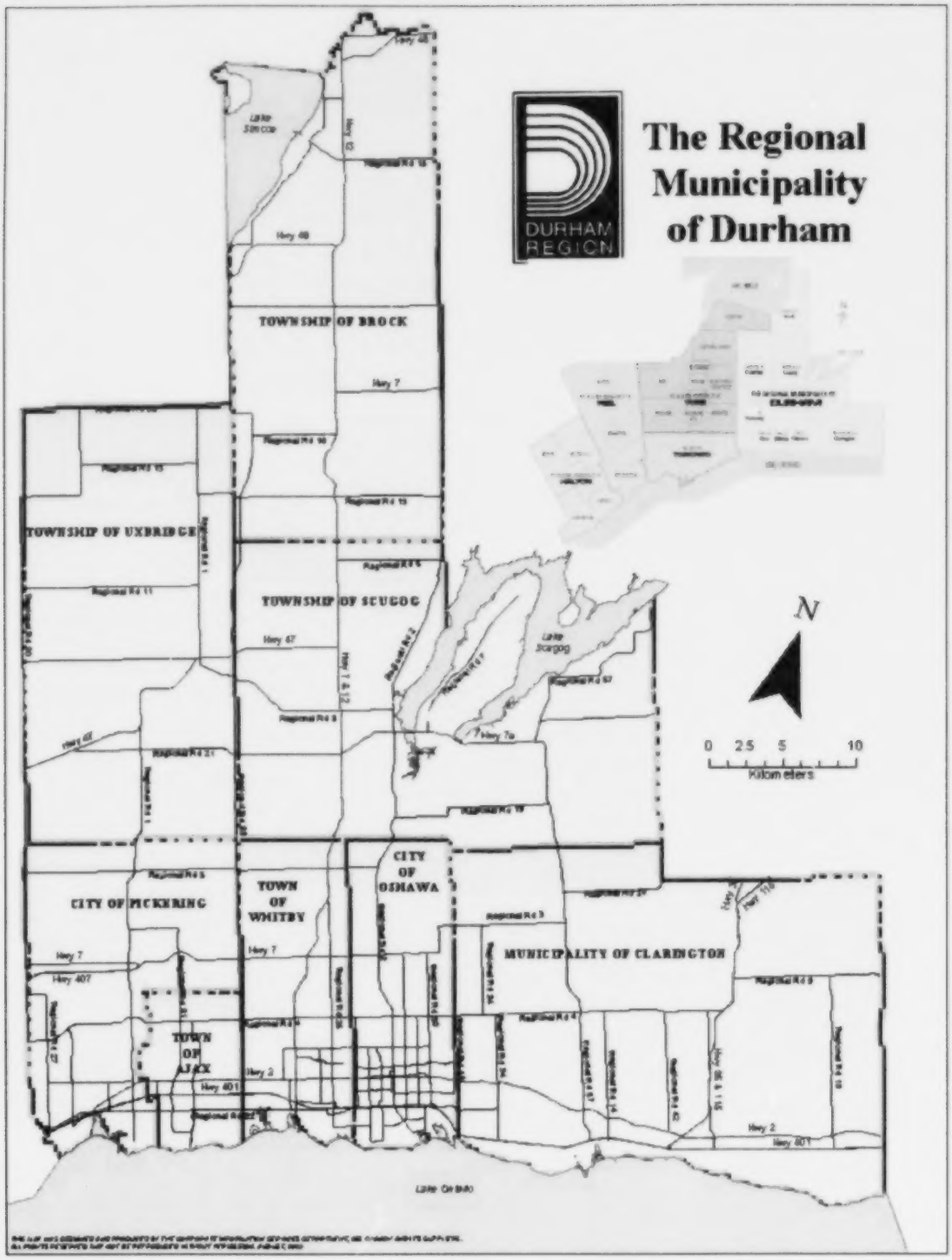
Bowmanville Zoological Park
Cullen Gardens & Miniature Village
Great Blue Heron Charity Casino
Oshawa Generals Hockey
Archibald Orchards & Estate Winery
The Pickering Markets
Picov Downs
Hunter Farms
Durham Countryside Adventure
Jungle Cat World
Parkwood Estate & Gardens
York-Durham Heritage Railway
Mosport International Raceway
Scugog Island Cruises
Sunderland Maple Syrup Festival
Ocala Orchards & Farm Winery

This is merely a sample of the attractions in Durham Region. Please visit our website or contact our Economic Development and Tourism Department.

Explore our resorts, wildlife areas, parks and conservation areas, boating and fishing adventures, golf courses, trails, shopping areas, hotels, motels, bed and breakfasts, art galleries and historical sites located throughout Durham Region.

Welcome!

Visit www.durham.region.on.ca


The Regional Municipality of Durham
DURHAM REGION
TOWNSHIP OF BROCK
TOWNSHIP OF UXBRIDGE
TOWNSHIP OF SCUGOG
CITY OF PICKERING
TOWN OF WHITBY
CITY OF OSHAWA
MUNICIPALITY OF CLARINGTON
TOWN OF AJAX
Lake Scugog
Lake Ontario
N
0 2.5 5 10
Kilometers

*"The Region has been great for business, providing a well educated labour pool, business friendly climate and excellent telecommunications infrastructure."*

**Elaine Minacs, President and Chief Executive officer,**
**Minacs Worldwide Inc.**

*"Durham Region's location within the GTA, a natural abundance of easily accessed and serviced land, combined with a highly skilled labour force, provide an ideal climate for business development."*

**Kevin E. Brady - The Brady Group Inc.**

*"This location provides excellent access to a market of more than 5 million people who reside in the greater Toronto area but also more importantly the Durham Region has an excellent transportation infrastructure to worldwide markets."*

**Bell**

# Message from The Regional Chair

The Regional Municipality of Durham Vision Statement is *"Service Excellence for Our Communities."* Regional Council took this statement to heart when, in 2002, we launched a process to develop a future-oriented *Durham Community Strategic Plan*. A Steering Group, consisting of three Regional Councillors, a community representative and two senior Regional staff, will, with community input, develop an effective blueprint for our future that will include concrete goals to guide future choices and strategies. The process provides a tremendous opportunity to envision what we want to achieve together and develop practical strategies to take us in the right direction.

## Investing in Infrastructure

2002 was a very exciting year for the Region. For me, a highlight was the on-time and on-budget opening of the new Hillsdale Estates, providing accommodation to 300 of our most elderly citizens. Residents, families and Hillsdale staff are all delighted with the new facility. Looking ahead, the tendering process is underway for construction of a new 200-bed facility on the same site, to be called Hillsdale Terraces.

Also proceeding on schedule is the construction of the Salem Road 401 Interchange (formerly referred to as Carruthers Creek Drive) and linking north and south roads. By late fall of 2003, residents will be able to enter and exit Highway 401 at the new Ajax interchange. Design work for the new Oshawa and Whitby Highway 401 interchanges is also underway with construction scheduled to begin in 2004 and 2006 respectively.

Another priority is to have the Highway 407 extended across Durham in a timely manner. While uncertainty remains about exactly where the 407 and its links should be routed, there is no question that this highway is an essential infrastructure project for our rapidly growing Region.

## A New Era

Throughout 2002, the Region participated in the Iter Site Selection Process. Regardless of whether we are successful in winning the Canadian bid to locate the Iter facility in Clarington, the Region and its eight municipalities gained the benefits from international exposure with each negotiation, with each meeting, and with each visit from the evaluators of our bid. The solid reputation and visibility of the Region and its member municipalities continues to grow on the global stage.

An unexpected benefit of the Iter site selection process has been the realization by our own energy industry that Durham offers unique attractions for new or expanded energy-related endeavours.

With our significant energy-related employment base and with a new technology-oriented university on the horizon, there are tremendous opportunities to market Durham as an energy centre of excellence. Energy marketing committees have recently been formed at the Regional and the GTA levels to look at opportunities for attracting new investment in the energy sector.

Again the Region can take to the Provincial and International stages to promote the benefits of investing in our Region, share information and make valuable contacts.

Of course, the whole Region shares the excitement over the creation of the University of Ontario Institute of Technology, which will welcome its first students in September 2003. This new development will hail the beginning of a new and exciting era for the Regional Municipality of Durham and I encourage all residents to learn more by visiting the University's own website at www.uoit.ca.

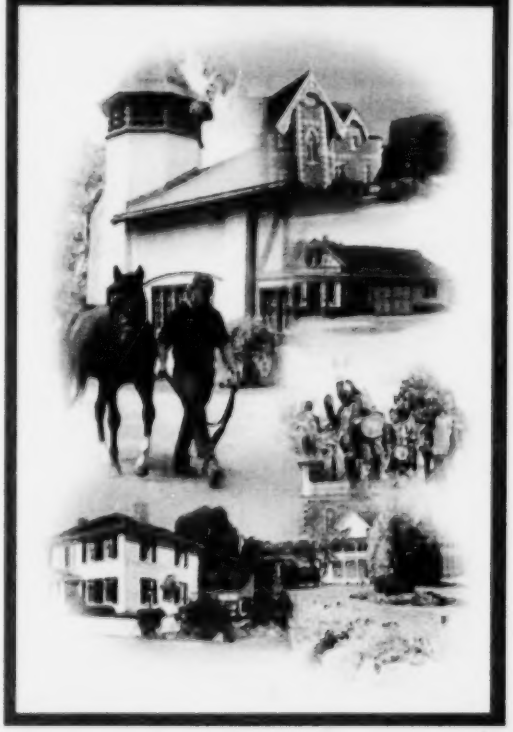
The Region of Durham looks forward to a bright and prosperous future.

Sincerely,

**Roger M. Anderson**
***Regional Chair***

*"...Durham Region is one of the fastest growing centres in North America and is a prime location for industry and commerce..."*

**Chair Roger Anderson**



# Regional Council

**TWO-TIERED MUNICIPAL GOVERNMENT** | Our system of local government consists of two-tiers. The Regional Municipality of Durham is the first level (upper tier) and the eight area municipalities constitute the second (lower tier). The two-tiered system is designed to retain closeness to the people while permitting a Region-wide approach to urban development.

**REGIONAL COUNCIL COMPOSITION** | Legislative responsibility for the Regional Corporation is vested in the Regional Council which is composed of a Chair plus 28 Councillors. The composition of Regional Council is designed to achieve balanced representation for the eight Local Area Municipalities of the Region. The Mayors of the Local Area Municipalities, by virtue of their office, are also Regional Councillors, while other election candidates must declare candidacy for either a combined Regional and Local, or strictly Local office. Regional Councillors serve a three year term. The next election will take place in November 2003.

**PURPOSE** | Regional Council provides leadership and direction to Regional administrative staff, who ensure citizens have access to adequate and efficiently delivered Regional services and infrastructure.

**REGIONAL RESPONSIBILITIES** | The Regional Corporation is responsible for the following service areas:

- Police services and 9-1-1 management
- Water supply and distribution
- Economic development and tourism
- Sewage collection and treatment
- Main roads, traffic lights and controls
- Public Health, including Emergency Medical Services
- Social Services, including Child Care, Services for Seniors, Family Counselling, Social Housing and Ontario Works Programs
- Emergency Measures
- Provincial Offences Court and Prosecution services and administration
- Recycling, diversion and waste disposal
- Strategic land use planning and Subdivision/condominium approvals
- Delegated authority for Area Municipal Official Plans and Amendments
- All borrowing of funds for capital expenditures, and
- Taxation policy.

**LOCAL AREA MUNICIPAL RESPONSIBILITIES** | Local Area Municipal Councils are responsible for the following service areas:

- Local Planning
- Local streets and sidewalks
- Refuse collection
- Fire protection
- Parks and recreation
- Tax collection
- Building inspection and permits, and
- Licencing.

# Regional Council and Senior Staff of the Regional Municipality of Durham

**Front Row (L to R)**

Mayor John Mutton (Clarington); Mayor Doug Moffatt (Scugog); Mayor Steve Parish (Ajax); Mayor Nancy Diamond (Oshawa); Regional Chair Roger Anderson; Mayor Terry Clayton (Brock); Mayor Wayne Arthurs (Pickering); Mayor Gerri Lynn O'Connor (Uxbridge); Mayor Marcel Brunelle (Whitby)

**Middle Row (L to R)**

Councillor Gerry Emm (Whitby); Alex Georgieff, Commissioner of Planning; Councillor Jim Schell (Clarington); Councillor Jim McMaster (Ajax); Councillor Rick Johnson (Pickering); Councillor Nester Pidwerbecki (Oshawa); Councillor Maurice Brenner (Pickering); Councillor Susan Para (Uxbridge); Councillor Joe Drumm (Whitby); Councillor Pat Perkins (Whitby); Jack McCorkell, Commissioner of Works; Garry Cubitt, Chief Administrative Officer; Dr. Robert Kyle, Commissioner and Medical Officer of Health; Pat Madill, Regional Clerk

**Back Row (L to R)**

Jim Clapp, Commissioner of Finance and Treasurer; Brian Roy, Regional Solicitor; Councillor Warren Young (Oshawa); Councillor Clare Aker (Oshawa); Councillor Cathy Clarke (Oshawa); Councillor Ken Carruthers (Scugog); Councillor Larry O'Connor (Brock); Councillor John Neal (Oshawa); Councillor Mark Holland (Pickering); Councillor John Gray (Oshawa); Councillor Scott Crawford (Ajax); Councillor Charlie Trim (Clarington); Councillor Bob Boychyn (Oshawa)

Absent Garth Johns, Commissioner of Human Resources; Patrick Olive, Commissioner of Economic Development and Tourism, Dr. Hugh Drouin, Commissioner of Social Services.

# THRIVING COMMUNITIES

## The Town of Ajax

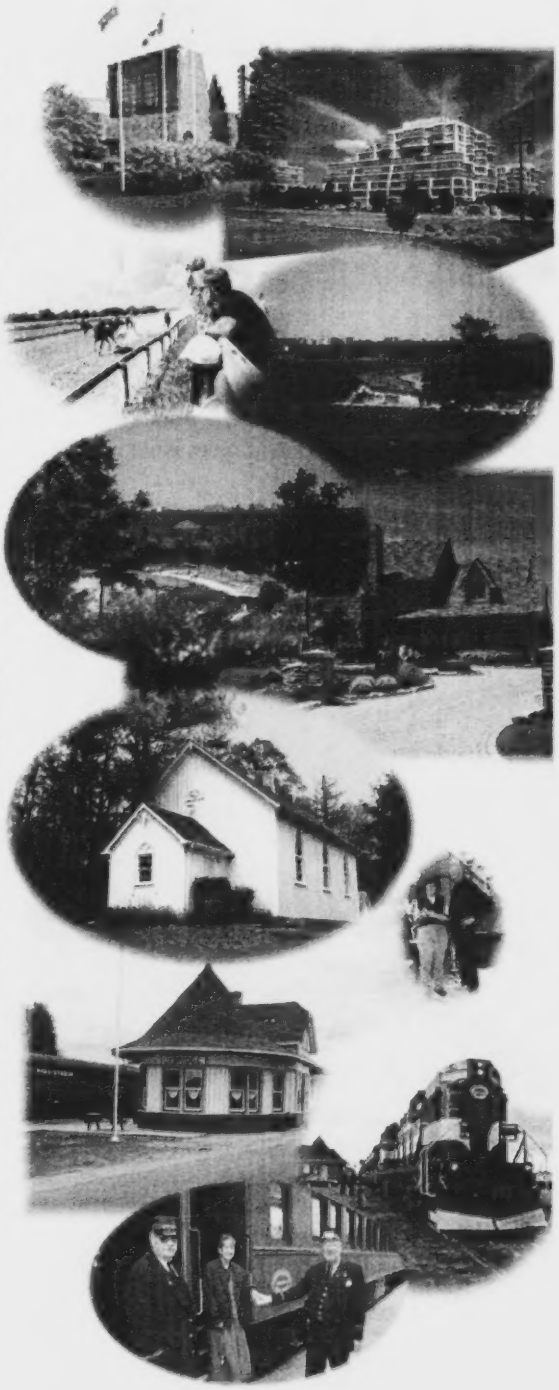
Ajax cherishes its historical structures. In fact, with respect for the HMS Ajax, the World War II fighting ship for which the Town was named, Ajax displays the original anchor and ship's bell in the Town Hall, which rings to call Town Council meetings to order. In Ajax you'll find one of the most picturesque stretches of the Waterfront Trail and the only undeveloped and permanently conserved municipal lakeshore in the Region. The 5 km-long shoreline provides a tremendous source of enjoyment, including boating, fishing, picnicking, concerts in the park and kite competitions. Ajax celebrates with yearly festivals where sales, parades, concerts, tours, barbecues, dances, and more are enjoyed by all! Ajax offers a multitude of sporting venues and over 30 parks and conservation areas, where protected wetlands are perfect for nature walks and bird watching. A leisure bikeway system connects most of the Town.

Visit www.town.ajax.on.ca for more information.

## Township of Uxbridge

te with tractor pull and the Highlands of Durham Games. Come enjoy downhill and cross country skiing, golfing, go-karting, horseback riding, picnics, and a world class Uxbridge hiking trail. Pastoral agricultural areas keep local stores supplied with fresh produce throughout summer.History and the arts attract many visitors to Uxbridge. The Township's original settlers were Pennsylvania Quakers and the Quaker Meeting House they built in 1820 is one of Durham's oldest buildings. Tour past many architecturally and historically significant homes, churches and buildings in this quaint town, including the Byzantine style Foster Memorial Temple and the former St. Paul Presbyterian Church Manse in Leaskdale, former home of Lucy Maud Montgomery. Visit the Uxbridge-Scott Museum and enjoy historic artifacts displayed in eight beautifully-preserved buildings. In 1996, Uxbridge celebrated the grand opening of the York-Durham Heritage Railway. Travelers can board the nostalgic train and enjoy the scenic ride between Uxbridge and Stouffville. View the charming restored rail station and visit the shopping district. Uxbridge is a haven for patrons of the arts and many award-winning artists, authors, musicians, actors and sculptors live here and participate in local events. Other annual events include Motocross Racing, Art in the Park, a Duck Derby, and Steam Threshing Days at the museum grounds, and an agricultural Fall Fair comple

Visit www.town.uxbridge.on.ca for more information, or call 905-852-9181.



## The City of Pickering

Pickering's tourism appeal is diverse, from the swimming, boating and fishing opportunities on its section of the Waterfront Trail to the pastoral rolling hills that grace the north. Frenchman's Bay offers fine boating and fishing opportunities, plus panoramic views of sailboats and wind surfers dotting Lake Ontario's horizon. Visitors revel in celebrations, including an annual Frenchman's Bay Festival. The Seaton Hiking Trail is a 10 km winding path that follows the West Duffin Creek Valley and passes through the historic Village of Whitevale. As proud of its past as its future, the City delights in its museums and Pickering Museum Village, a 19th century village providing a unique opportunity to participate in life of the early settlers. Join in a variety of activities and events and celebrate the past. Golf courses, skating rinks and cross-country ski areas provide year-round tourism experiences. The Energy Information Centre at Pickering Nuclear educates 20,000 visitors each year about nuclear power with entertaining and informative exhibits. Shopping opportunities wield power over tourists too - intriguing antique shops, the modern Pickering Town Centre or the Pickering Flea Market & Antique Fair (Canada's largest indoor flea market).

Visit www.city.pickering.on.ca for more information.

## Town of Whitby

The Town of Whitby is located in the heart of Durham Region and provides magnificent attractions. At Cullen Gardens & Miniature Village, Ontario heritage buildings replicated to scale leave an impression. Stroll through immaculately groomed gardens during the tulip, rose and chrysanthemum festivals and enjoy the bird sanctuary and children's activities. Iroquois Park Sports Centre, Canada's largest municipally owned recreation facility, hosts major tournaments and special events. Whitby's waterfront includes a marina, yacht club, boat launch and fishing charters. The Town's 6-kilometre stretch of the Waterfront Trail forms a picturesque shoreline for hikers, joggers or cyclists. Conservation areas provide class one wetland habitat for marsh birds and quiet wooded surroundings for hiking, cross country skiing or fishing. A proud heritage, walking tours of Whitby's historic downtown and Old Port Whitby are a major attraction. With theatres, galleries, sports, festivals and extensive shopping choices, it is difficult to choose from the rich kaleidoscope of activities.

Visit www.town.whitby.on.ca or call the Whitby Information Centre at 905-668-0552.

# THRIVING COMMUNITIES

## Township of Scugog

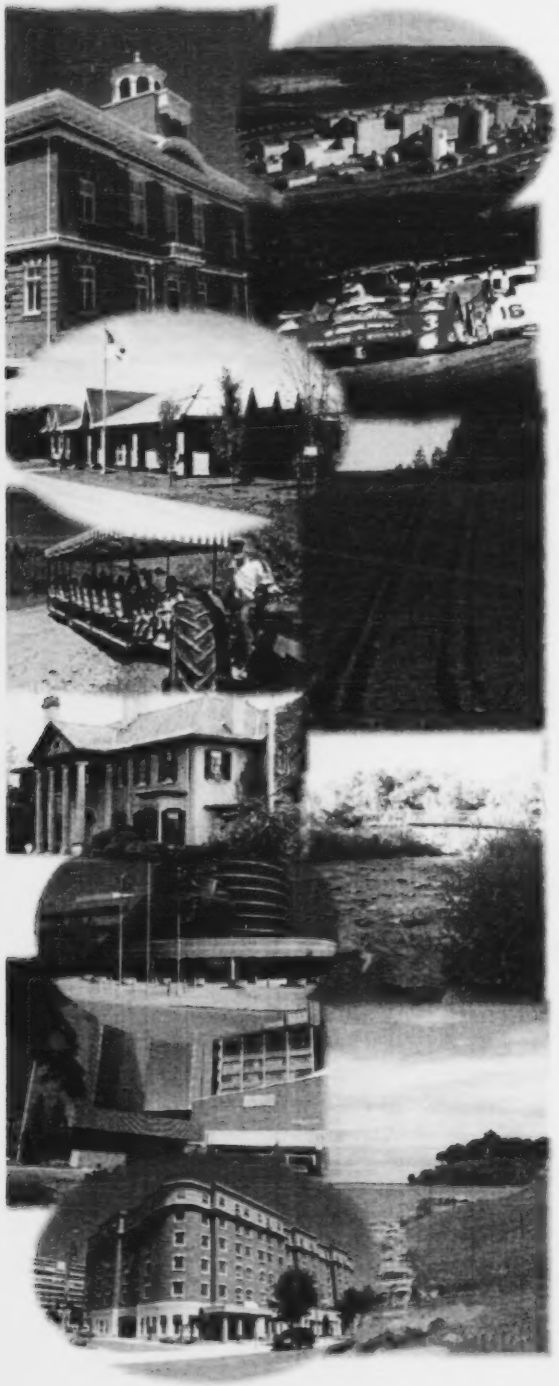
Scugog's Port Perry tempts visitors with a charming main street and specialty shopping district with Victorian architecture. Several hamlets and villages make for breathtaking countryside sight-seeing. Summers sizzle with events like Festival Days and the Highlands of Durham Games. Agricultural fall fairs and many farmers' markets are enjoyed. The Township provides fabulous venues for skiing, snowmobiling and fishing (e.g. large-mouth and small-mouth bass, muskie, walleye and perch) and waterfront parks attract boaters, swimmers and campers. Scenic Palmer Park provides a lakeside gazebo, playground and swimming beach. You can gamble on some serious fun if you head out to the Great Blue Heron Charitable Casino on the First Nations Mississauga Indian reserve on Scugog Island. For a taste of culture, Port Perry's historic former Town Hall is the site for music and theatre. The Kent Farndale Gallery holds art shows year-round. The Scugog Shores Museum Village hosts a raft of festivals and seasonal events. Resident internationally acclaimed inventors, Bill and Paula Lishman may be seen soaring overhead in an ultra-light plane, followed by a 'V' of geese or sandhill cranes. The Nonquon Wildlife Area offers hiking, canoeing and one of the best birding habitats in the GTA and each summer Scugog hosts the traditional "Canoe the Nonquon" competition.

Visit www.township.scugog.on.ca or call 905-985-4971.

## Township of Brock

In Brock, you can find bed races, a rescued jail and an entire festival dedicated to bass! Occupying the northernmost part of Durham Region and encompassing the communities of Beaverton, Cannington and Sunderland, Brock beckons with pastoral scenery - round hay bales dotting lush green fields, cows huddled under shade trees, rolling hills thick with colourful maples and the Beaver River. It's also home to some of the Region's most interesting heritage buildings, fall fairs/festivals, and antique and craft shopping. Having one of the largest freshwater lakes at your doorstep is a huge attraction for those interested in boating, swimming, fishing, ice fishing and water skiing. Known as "Durham's Gateway to the North," Brock is bordered by Lake Simcoe and the Talbot River. Brock's maple syrup production is celebrated each spring when Sunderland hosts a Maple Syrup Festival. Enjoy quaint shopping districts in Brock's villages, and you'll discover the friendliness and warmth for which the area is known. The "Community With a Heart" welcomes you.

Call the Township of Brock at 705-432-2355



## Municipality of Clarington

In Ontario's "Vacation Heartland," Clarington is more than "just a pretty place"! Come find breathtaking shoreline, farming communities, hamlets and the major population centres of Bowmanville, Courtice and Newcastle Village. From the earthy to the exotic, Clarington presents a selection of attractions. Enjoy picnics and nature walks at Darlington Provincial Park or along Clarington's 17 km portion of the Waterfront Trail. Find boat launches, marinas, fishing charters and several conservation areas with brown and speckled trout waiting. Historic downtown shopping districts, new malls, flea markets and auctions co-exist with a beautiful countryside. Historical sites and museums preserve 19th century life. Clarington is also home to the internationally acclaimed Mosport Park, where a variety of racing events are enjoyed throughout the year. The annual Durham Central Agricultural Fair in Orono attracts thousands of visitors. Tour the Darlington Nuclear Generating Station, recipient of certification from the World Wildlife Habitat Council for its on-site ecology projects. Go wild or tranquil - come to Clarington, where town and country come together!

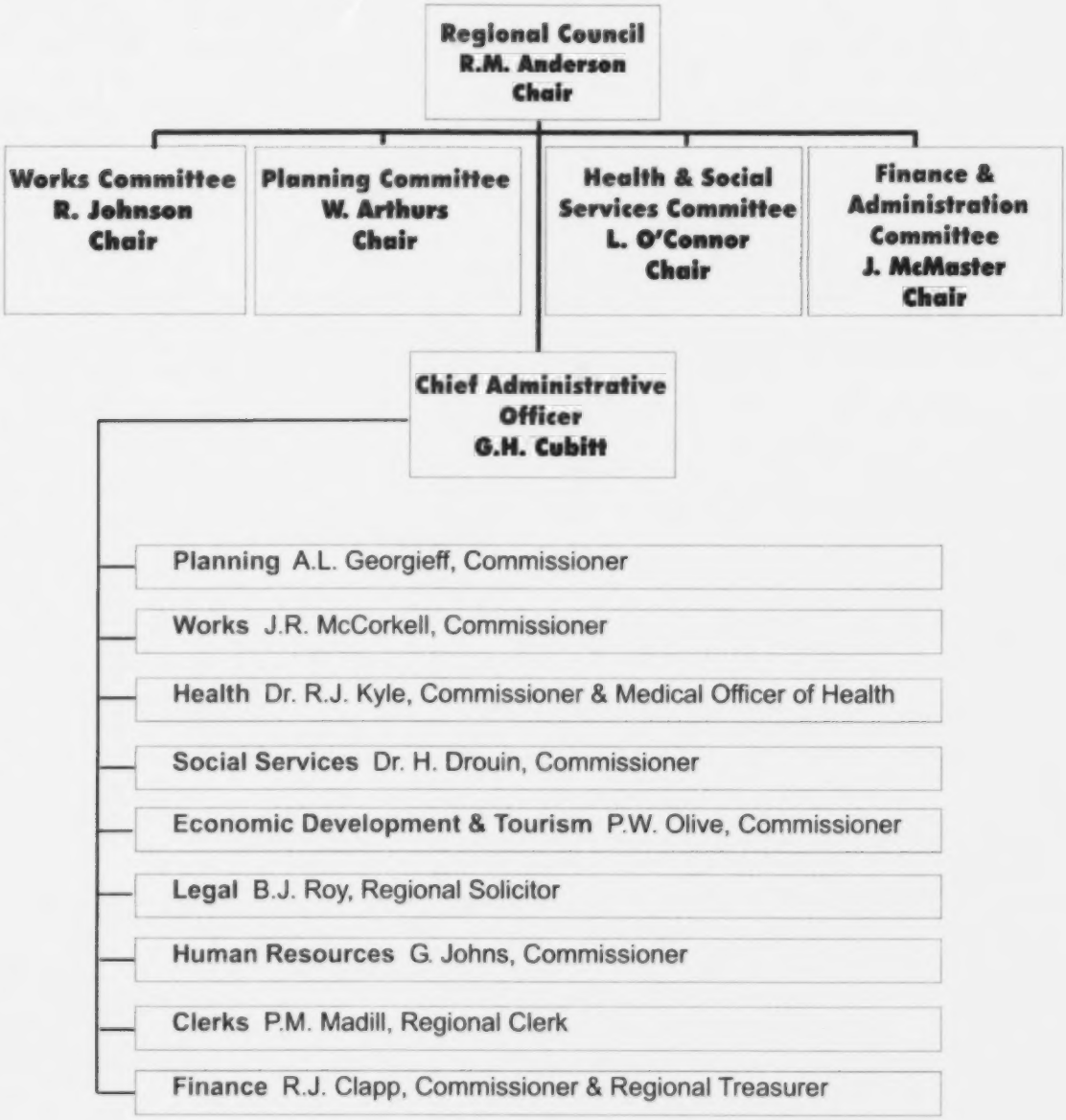
For more information call 1-800-563-1195 or visit www.municipality.clarington.on.ca

## The City of Oshawa

Featuring a picturesque 9 km portion of the Waterfront Trail, Oshawa is a lakeside community with breathtaking views from the beach at Lakeview Park, adjacent to the Harbour and Marina. Enjoy fishing or a jaunt through the trails that run along Harmony and Oshawa Creeks. Community pride is reflected in the breathtaking floral and landscape displays throughout the city. Here, in the birthplace of Canada's auto industry, many of Oshawa's celebrated attractions are related to the automotive sector or were established by the McLaughlin family, whose Carriage Works became General Motors of Canada. The Robert McLaughlin Gallery, among over 3,500 art masterpieces, includes Canada's most extensive collection of Painters Eleven. Also visit Second Marsh, the largest coastal wetland in the GTA, Pumphouse Marsh and McLaughlin Bay Wildlife Reserve or see an Oshawa Generals game and watch the legendary team that nurtured hockey greats like Bobby Orr. Enjoy shopping at specialty downtown shops or the Oshawa Centre, one of the largest indoor malls in Canada. Museums, live theatre, symphony concerts, the annual Waterfront Festival and Fiesta celebrations add to the cultural kaleidoscope in the City.

Visit www.city.oshawa.on.ca for more information, or call 905-725-4523.

# Management and Reporting Structure



# Standing Committees and Regional Administration

**THE COMMITTEE SYSTEM** | Regional Council established four Committees, each comprised of seven Councillors. As shown in the chart on the opposite page, the four Standing Committees of Regional Council are:

- The Finance and Administration Committee;
- The Works Committee;
- The Planning Committee; and,
- The Health and Social Services Committee.

The Regional Chair is an ex-officio member of each Committee. Committee members are elected by, and from, the membership of Regional Council. Standing Committees meet every three weeks to review policy and formulate recommendations to Regional Council.

**THE CHIEF ADMINISTRATIVE OFFICER** | Appointed by Regional Council, the Chief Administrative Officer ensures the implementation of Council policies and manages day-to-day operations as head of administrative staff. Administrative staff, under the direction of each Department Head and the CAO, report to Regional Council.

**BOARDS AND AGENCIES - 2002** | Regional Council makes several appointments to the Boards and Committees of outside agencies that provide essential services to the residents of Durham Region. Regional Councillors chair or provide membership to the following outside agencies:

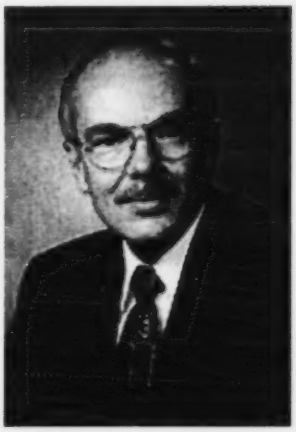
- Central Lake Ontario Conservation Authority
- Ganaraska Region Conservation Authority
- Kawartha Region Conservation Authority
- Lake Simcoe Region Conservation Authority
- Toronto & Region Conservation Authority
- Children's Aid Society of Durham Region
- Durham Region Non-profit Housing Corporation
- Durham Region Police Services Board
- 9-1-1 Management Board

For additional information on the membership and responsibilities of these Boards and Committees, please visit the Regional web site at www.region.durham.on.ca or contact the Region at 905-668-7711 or toll-free at 1-800-372-1102.

# Message from The Chief Administrative Officer

Despite an increase in the scope and complexity of services provided, the Regional administration continues to demonstrate its commitment to customer service excellence.

In 2002, two very different Regional departments were recognized with International Standards Organization (ISO) registration. Family Services Durham is the first family counselling organization in North America to achieve ISO 2002: 1994 Registration. This achievement is in recognition of the implementation of excellent best practices, standard operating procedures and quality control mechanisms.



In addition, the York-Durham Regional Environmental Laboratory achieved ISO 17025 accreditation for the processes used to test drinking water, waste water and bio-solids. Meeting ISO standards is a time consuming effort, but it is an important step in meeting our quality management objectives, and will help us meet the duty of care obligations set out in new drinking water legislation. The ISO recognition is timely, in that there has recently been a flood of new provincial legislation and regulations to administer, including the *Safe Drinking Water Act and the Nutrient Management Act*. Work towards ISO registration in other areas continues.

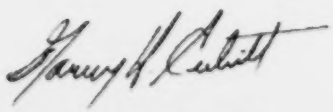
During 2002, other Regional Departments were also rewarded for outstanding efforts and all Regional staff can be proud of their provision of quality programs and services to Regional taxpayers.

The Regional administration has responded well to tremendous change over the last several years as Provincial services have been downloaded and new Provincial regulations have been implemented.

During 2002, staff were able to ensure a smooth transfer of the remaining federal and provincial non-profit programs and private rent supplement units under the new Regional Social Housing Program downloaded from the Province. The new operation includes over 6,800 housing units.

The Region has also established an Accessibility Advisory Committee to assist in development of an annual 'accessibility plan' for Regional services, in response to the new Ontarians With Disabilities Act.

Despite increased responsibilities, Regional staff strive to provide the highest quality services to Durham Region's taxpayers and will continue to ensure the effective use of resources on their behalf.



**Garry H. Cubitt, MSW**
***Chief Administrative Officer***

*"Since acquiring full responsibility for Emergency Medical Services from the Province in 2000, major improvements to the service were required to maintain performance standards set by the Province and to meet future growth needs of the Region...The Region implemented a Region-wide Advanced Life Support (Level 2) paramedic service, which was previously only available in the City of Oshawa...."*

***Garry H. Cubitt, Chief Administrative Officer***

## Corporate Vision

Service Excellence for Our Communities.

## Mission

To meet the needs of our citizens through leadership, cooperation and service excellence.

## Operating Principles

***Respect - Professionalism - Trust -Integrity:***

We encourage respect, professionalism, trust and integrity in all our dealings.

***Quality:***

We are committed to providing quality services delivered in a cost effective, safe and efficient manner.

***Leadership:***

We promote leadership that develops staff initiative, creativity and motivation.

***Teamwork and Co-operation:***

We promote co-operation and the use of teamwork throughout the organization.

***Accountability:***

We recognize the principle of accountability for the services that we provide.

***Continuous Improvement***

***We strive for continuous improvement in the delivery of our services.***

DURHAM REGION

# GOALS...

...To ensure that our services are appropriate to the changing needs of our community...

...To continue the development of sound fiscal policies and long-range financial planning for our services...

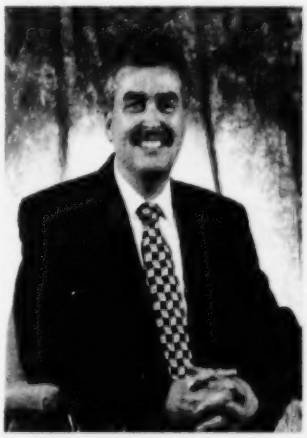
...To increase efficiencies, cooperation and coordination of the Region through operations and management practices...

...To improve the image and public awareness of the Region...

# REPORT FROM THE TREASURER AND COMMISSIONER OF FINANCE

It is with pleasure that I present the Annual Financial Report of the Regional Municipality of Durham, Ontario, Canada, highlighting the Region's financial results for the year ended December 31, 2002. With confidence I can say that the Regional Corporation is well positioned to address future financial challenges.

These could include the financing of additional unforseen responsibilities downloaded from the Province, or additional operating and capital funding necessary to renew and/or expand existing infrastructure and services. The latter is particularly relevant, given several years of sustained economic growth in the Region, which brings not only prosperity, but significantly increased service and infrastructure demands.



## Financial Management and Control

The Region of Durham maintains internal administrative and accounting controls to ensure that financial information is reliable and relevant and that the Region's assets are safeguarded.

The Region's Purchasing By-law and Budget Management Policy, in conjunction with other Regional Policies and Provincial legislation, govern the fiscal responsibilities of the Regional administration. Regional By-laws prescribe purchasing, accounting, investment, risk management and debt policies and procedures that ensure effective and clear guidelines for expenditures and the requisition of goods and services. The Budget Management Policy for example, addresses the balance between Regional expenditures and the availability of funding. Budget Management and Purchasing policies provide an accountability framework that establish the extent of authority for spending decisions, both planned and unplanned, and outline the discretion permitted in those spending decisions, delegated by Regional Council.

The Region of Durham's commitments, to long-term financial planning and sound fiscal policies, provide a solid foundation for financial management and promote a healthy capital financing structure. Our "pay-as-you-go" financing philosophy, low levels of debt issuance, strong reserve and reserve fund strategies and "growth-pays-for-growth" development charges policy contribute to the Region of Durham's fiscal strength.

This strength has again been recognized by both Standard & Poor's and Moody's Investors Services, who have reaffirmed the Region's "Triple A" credit rating. This highest rating category places Durham in a select group of municipalities with an exemplary reputation in the investment community and who are seen as leaders in fiscal responsibility and integrity.

## Financial Accountability

The Region fully supports the goal of financial accountability to taxpayers, an objective which is at the heart of the Region's Corporate Strategic Plan. Durham is in compliance with all guidelines that are established by the Municipal Performance Measurement Program (MPMP), a Province-wide program that requires municipalities to report on measures that reflect the efficiency and effectiveness of public services. Durham Region endorses these guidelines and is also an active member in the Ontario Municipal Benchmarking Initiative, a

voluntary project which serves to identify and share best practices of service efficiency and quality in Ontario Municipalities. For information on the MPMP program I would encourage readers to visit the Regional web site at www.region.durham.on.ca or call the Region at 905-668-7711 or 1-800-372-1102.

### Long-term Financial Planning

Commencing with fiscal year 2000, Regional Council has established pre-budget guidelines for annual operating and capital expenditures and financing based upon a multi-year budget forecast provided by Regional staff. The annual "Five-year Economic and Financial Forecast and Budget Guidelines" report provides Regional Council each year with preliminary estimates of financial requirements facing the Region over a five-year horizon as well as potential sources of financing. This information, which launches the Budget review process, allows Council to evaluate and consider the implications of proposed expenditures and related financing alternatives within the context of a multi-year planning horizon.

In addition, the Region completes separate annual Servicing and Financing Studies, including multi-year capital expenditure forecasts in the areas of Regional Roads, Water Supply and Sanitary Sewerage and Solid Waste Management. With the recent download of Social Housing responsibilities from the Province, and given a very significant capital component inherent in this service, the Region will initiate a Social Housing Servicing and Financing Study commencing with the 2004 Budget process.

### Financial Statements

The financial statements herein have been prepared in accordance with accounting policies that conform to local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Where the determination of assets and liabilities is dependent upon future events, amounts are based upon reasonably determined estimates and judgements.

The Region is required by the Municipal Act to engage independent auditors to express an opinion as to whether our financial statements present the Region's financial position and operating results fairly in all material respects. Deloitte and Touche LLP has fulfilled this audit function as evidenced by the audit reports included in this document.

**R.J. Clapp, CA**
***Commissioner of Finance and Treasurer***
***July 31, 2003***

*"...Durham's Aaa credit rating rests on its long record of sound financial planning based upon prudent assumptions, its growing population and assessment base, and its relatively low debt level. Financial results continue to be impressive..."*

**Moody's Investors Services Sept. 2002**

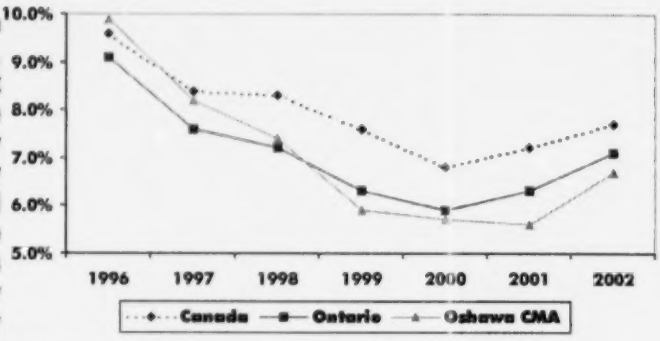
# Financial Management Team

| | |
|---|---|
| **Chief Administrative Officer** | **G.H. Cubitt, MSW** |
| **Finance Department** | **R.J. Clapp, CA**<br>**Commissioner of Finance and Treasurer** |
| | **P.N. Richards, BBA, MBA**<br>**Director of Budgets, Economic Studies and Risk Management** |
| | **M.E. Simpson, BA, MA**<br>**Director of Special Projects and Financial Planning** |
| | **D.W. Beaton, BAS**<br>**Director of Information Management Services** |
| | **J.M. Cermak, CA**<br>**Director of Financial and Utility Services** |
| | **R.A. Crystal, CMA**<br>**Manager of Accounting** |
| | **J.S. Lorne, CET, MBA**<br>**Manager of Supply and Services** |
| | **R.D. Siblock, CMA**<br>**Manager of Utility Finance** |
| **Auditor** | **Deloitte & Touche LLP Chartered Accountants** |
| **Banker** | **The Royal Bank of Canada** |
| **Fiscal Agents** | **RBC Dominion Securities Inc.**<br>**CIBC World Markets** |

# ECONOMIC CLIMATE

The Region of Durham continues to enjoy a sustained period of economic growth, including high employment, significant investment in capital and growth in disposable income. While this is very positive, there is pressure caused by related demands for an expanded infrastructure and growth-related service increases. The Regional Corporation is responding to these demands in a fiscally responsible manner with timely infrastructure developments, including, but not limited to: the improvement and development of Regional roads; water supply and sanitary sewerage; police and emergency medical facilities and equipment; and, Homes for the Aged facilities.

**Unemployment Rates 1996 to 2002**



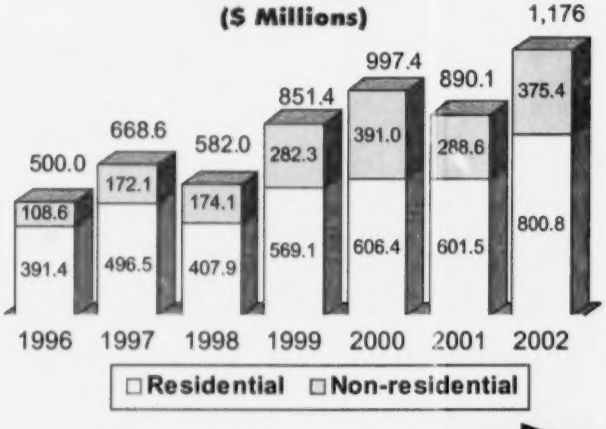

**Source: Statistics Canada**

## ROBUST ECONOMIC INDICATORS

The Region's economic strength is exemplified by an unemployment rate that continues to remain below the Provincial and Canadian averages. At the end of 2002, the unemployment rate in the Oshawa Census Metropolitan Area (CMA) was 6.7%, a level 40 basis points below the Provincial average of 7.1%, and 100 basis points below the Canadian average of 7.7%.

Building permits have risen significantly in terms of quantity and value in Durham Region in 2002. The total value of building permits issued in Durham Region increased by 32.1%, from $890.1 million in 2001 to $1.2 billion in 2002. The only comparable years in the Region's history were 1988 and 1989, where approximately $1 billion worth of building permits were issued. The total building permit value in Durham has averaged $681.6 million per year since 1991. The 2002 total of $1.2 billion exceeds this historical average by 72.6%.

**Value of Building Permit Activity**
**1996 TO 2002**
**($ Millions)**



## HOUSING STARTS

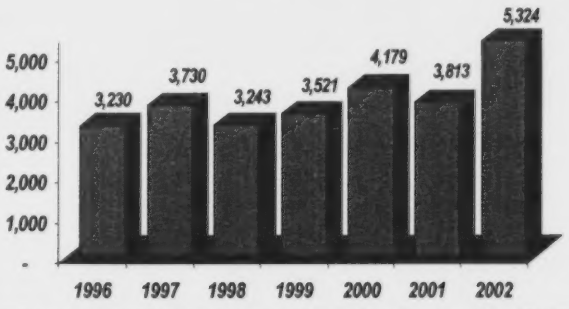
The Region of Durham recorded a total of 5,324 housing starts in 2002. According to the Canada Mortgage and Housing Corporation, this is the best year since 1989, when 5,807 units were started. Low mortgage rates, employment gains, strong migration, and a shortage of listings in the resale market all contributed to strong demand for new homes in the Region.

Employment gains over the last few years have fuelled the latest housing boom. While overall job growth slowed in the Oshawa CMA during 2002, employment in manufacturing rebounded, increasing the number of higher paying jobs, and positively affecting housing demand. Toronto's job market also expanded by just under 50,000 jobs (1.9%), with a strong manufacturing sector. This has a positive impact on Durham's local housing market, which attracts Toronto workers looking to live outside of the city, but within a convenient commuting distance.

## GROWTH AND SPENDING

Economic good times in Durham Region reflect significant growth in the Ontario economy during 2002. Ontario's real Gross Domestic Product (GDP) grew by 3.9% in 2002, up from 1.5% in 2001, according to Statistics Canada. In addition to a vigorous housing sector, increased business inventories and accelerated consumer spending are factors contributing to economic growth. Higher consumer spending in Durham Region is supported by Durham's relatively high median household income of $66,832 per year, according to Statistics Canada. This is a level 25% higher than Ontario at $53,626, and 43% higher than the Canada-wide median at $46,752 per year. The thriving economy will bolster an already substantial quality of life available in the Region of Durham.

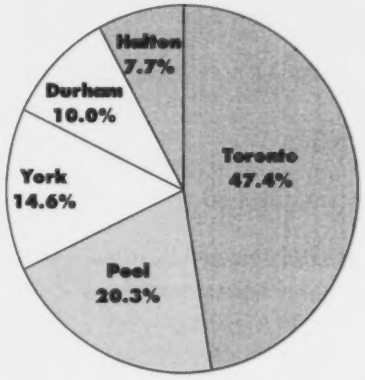
**Durham Region Housing Starts 1996 to 2002**



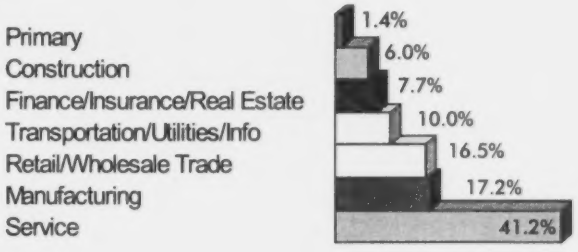

**Source: Canada Mortgage and Housing Corporation (CMHC)**

*According to CMHC, Housing starts in Durham Region were up 40% to 5,324 starts in 2002, compared to 3,813 housing starts in 2001.*

**Share of GTA Labour Force, 2001**

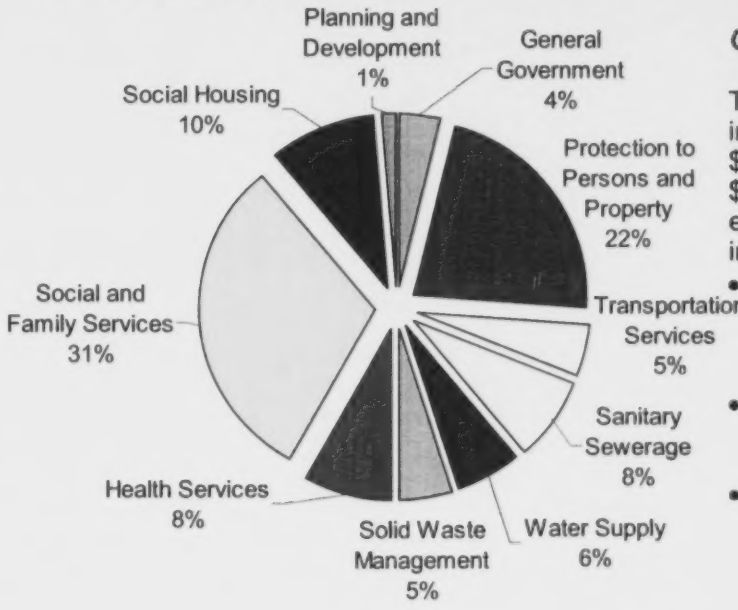



**Labour Force by Industry, 2001**



# FINANCIAL RESULTS

## 2002 Operating Fund Expenditures $456.6 million

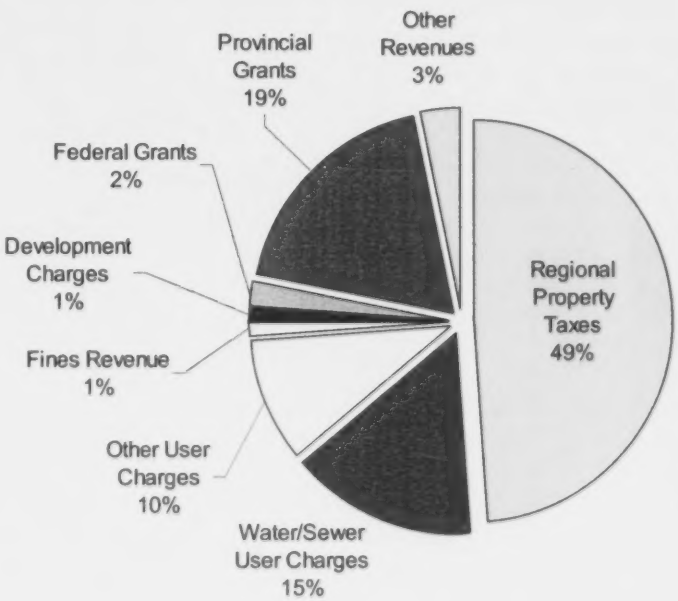



### *Operating Fund Expenditures*

Total operating fund expenditures increased in 2002 by 6.3% to $456.6 million, compared to $429.4 million in 2001. Major expenditure increases in 2002 included the following:

- 46 new police service personnel including 25 front-line officers and 21 civilian support staff;
- Additional operating costs related to the new Hillsdale Manor Home for the Aged; and,
- Approximately an additional $1 million for road improvements, rehabilitation and resurfacing.

## 2002 Operating Fund: Sources of Financing $570.0 million



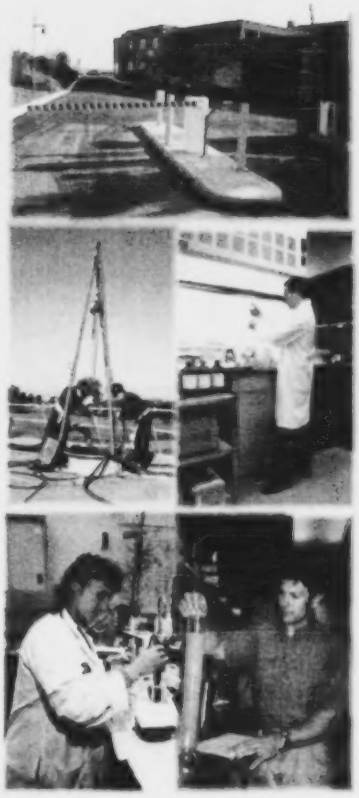

### *Operating Fund Sources of Financing*

Operating fund sources include Regional property taxes, user charges and grants from federal and provincial governments.

In addition to an average Regional tax increase of 3.5% across all property tax classes, revenue from property taxes increased from $274.0 million in 2001 to $286.3 million in 2002, representing an increase of approximately 4%. The increased revenues were primarily due to assessment growth.

### *Water Supply and Sanitary Sewerage*

The Region is responsible for the safe operation and maintenance of the water supply and sanitary sewerage systems and must ensure the facilitation of future growth. These operations are funded primarily from Region-wide uniform user rates. The water and sewer rates, rate structure, development charge receipts and long-term capital requirements are reviewed annually to ensure efficient operation and continued viability of the water supply and sanitary sewerage systems.



The Region adheres to a "user pay" principle in setting water and sanitary sewer rates. The user pay approach strives to directly charge water and sewer customers in proportion to the cost of providing water and sewer services. In 2002, a 4.5% water and sewer rate increase was approved. The user rate increase was required to fund increases in labour and utility costs, facilities' security enhancements and to cover higher operating costs for repairs and maintenance and to meet additional requirements under Ontario's new Drinking Water Protection Regulation.

Surpluses related to water and sewer operations are transferred to the applicable Treatment Plant/Rate Stabilization Reserve Fund. These funds held balances at the end of 2002 totalling $60.3 million for sewer services and $34.9 million for water services. The funds are committed to finance future capital upgrades and expansion of Durham's Water Supply and Sanitary Sewerage systems.

### *Solid Waste Management*

Major Solid Waste expenditures relate to haulage/disposal fees, blue box collection and the processing of diverted materials. The Region also owns and operates a small rural landfill site, four waste management facilities, a processing facility for recyclable materials and several Household Hazardous Waste facilities.

In 2002, four of the eight Local Area Municipalities (Brock, Clarington, Scugog and Uxbridge) transferred their responsibility for curb-side collection to the Region, in order to implement an Integrated Waste Program. The Region's Integrated Waste Program includes the curb-side collection of organics and their diversion from landfill, as well as an expanded recycling program. Negotiations are underway to implement the new diversion programs in the remaining Area Municipalities to ensure the Region can meet its waste diversion target of 50% diversion by 2007 or sooner, a main goal of the Long-Term Solid Waste Management Plan.

Sources of revenue consist of Solid Waste property taxes, user fees, and the sale of recyclables. Uncertainties that can lead to a surplus (or deficit) position for this operation include tonnage variances and fluctuating market prices for diversion materials. In 2002, $337,000 was added to the Solid Waste Management Reserve Fund, which at the end of 2002, held a balance of $13.2 million.

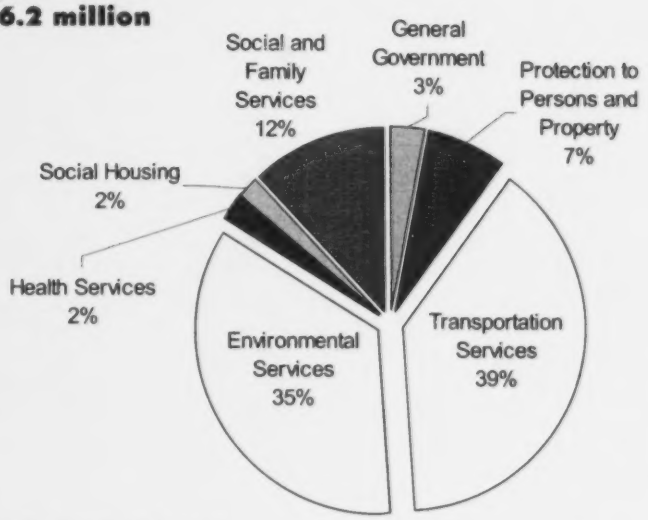
### Capital Fund Expenditures

Capital investment is necessary to maintain the current infrastructure and provide for future requirements. In 2002, capital fund expenditures totalled $96.2 million, compared to $96.7 million in 2001. This decrease was primarily due to reduced expenditures in Social and Family Services. Transportation Services, specifically spending on roads infrastructure, accounted for the largest portion of the Region's capital fund expenditures at 39%.

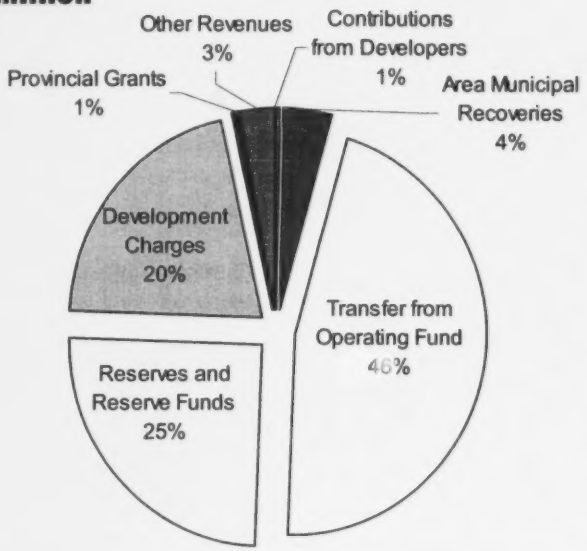
In 2002, capital fund expenditure increases included:

- Durham's share of the 401 interchange program;
- Ambulance station and equipment replacements;
- Regional road construction and rehabilitations; and,
- Upgrades to the Regional water pollution control plants and equipment.

**2002 Capital Fund Expenditures $96.2 million**




**2002 Capital Fund Sources of Financing $94.9 million**




### Capital Fund Sources of Financing

The Region's 2002 capital spending program was primarily financed from transfers from the operating fund and reserves and reserve funds.

In 2002, there were no debentures issued to finance the capital program, resulting in a reduction of the Region's debt burden to $85 million, from $91.7 million in 2001. The Region maintains low debt levels and adheres to the pay-as-you-go financing philosophy, ensuring debt issuance only for major projects. A strong capital structure and solid reserves and reserve funds also help ensure debt is minimized. Development charges are collected from developers and are held by the Region to finance future residential growth related projects for water, sewer, roads and other specific purposes. In 2002, the contribution to the capital fund from development charges totalled $19.9 million, compared to $16.8 million in 2001.

## Debt Position

The Region of Durham Debt Management Policies are governed by Provincial Legislation and Regulations and Regional Council approval. The Region is responsible for long-term debenture debt totaling $192.1 million, at December 31, 2002. Of this total amount of debt, $107.1 million or 56% has been issued on behalf of the Local Area Municipalities and Durham School Boards, who are responsible for payment of both principal and the interest. The Region is the authorized entity for debt issuance for all Local Area Municipalities within its jurisdictional boundaries. The net debt to be financed by the Regional Municipality of Durham was $85 million at December 31, 2002.

## Durham's Credit Rating

Both Standard & Poor's and Moody's Investors Services have recently re-affirmed the Aaa (Triple A) credit rating for the Regional Municipality of Durham's long-term debentures, with a continued stable outlook. The annual rating review includes consideration of the performance of the Regional economy and the financial results achieved by the Region as well as its eight Area Municipalities.

Two of Durham Region's most important financing policies are the "pay-as-you-go" capital financing policy and the "growth pays for growth" policy, which support the Region's current Triple A credit rating. The Region will maintain these philosophies and use debenture financing only when necessary for large capital investments that are not possible to finance up-front. Although significant capital outlays for infrastructure are required over the next five years, a continued focus on internal funding will minimize future debt issuance.

### *Reserves and Reserve Funds*

The Region of Durham strives to maintain solid Reserves and Reserve Fund positions, ensuring financial flexibility, minimal impacts from growth and future liabilities, and a solid foundation for the Region's pay-as-you-go financing philosophy. Reserves and Reserve Funds at December 31, 2002 totalled $323.2 million, an increase of 14.8% compared to $281.5 million at December 31, 2001. The largest portion of these funds are committed to finance future capital expenditures for water supply, sanitary sewerage, regional roads, solid waste management and risk management.

### *Reserves*

At the end of 2002, with the addition of the Durham Region Local Housing Corporation reserve, the Region had nine reserves totalling $117.1 million, compared to eight reserves totalling $101.2 at December 31, 2001, an increase in value of 15.7%.

The Region of Durham's Reserves are established for specific purposes, such as the provision of working capital to mitigate fluctuations in annual cash flows. Two reserves provide the Region with necessary financing for future liabilities: the Sick Leave Liability and the Contingencies Reserves. Other Reserves have been established to enable up-front financing of major capital expenditures or are used to finance projects budgeted in one year, but with construction taking place over more than a year (the Capital Construction, Regional Roads, Homes for the Aged and Equipment Replacement Reserves).

### *Reserve Funds/Development Charges (Deferred Revenues)*

Reserve Funds and Development Charges are monies set aside to finance specific future costs. The total value of the Region's Reserve Funds increased in 2002 to $206 million, compared to $180.3 million in 2001. In 2002, a new reserve fund was established to finance a commitment to provide a $7.5 million contribution to Lakeridge Health Corporation for a new Durham Regional Cancer Centre to be located in Oshawa.

Development charges are collected from developers and are essentially held by the Region to finance future residential growth related projects for water, sewer, roads and other specific purposes. In 2002, developer contributions totalled $44.6 million, compared to $37.3 million in 2001.

# MANAGEMENT REPORT

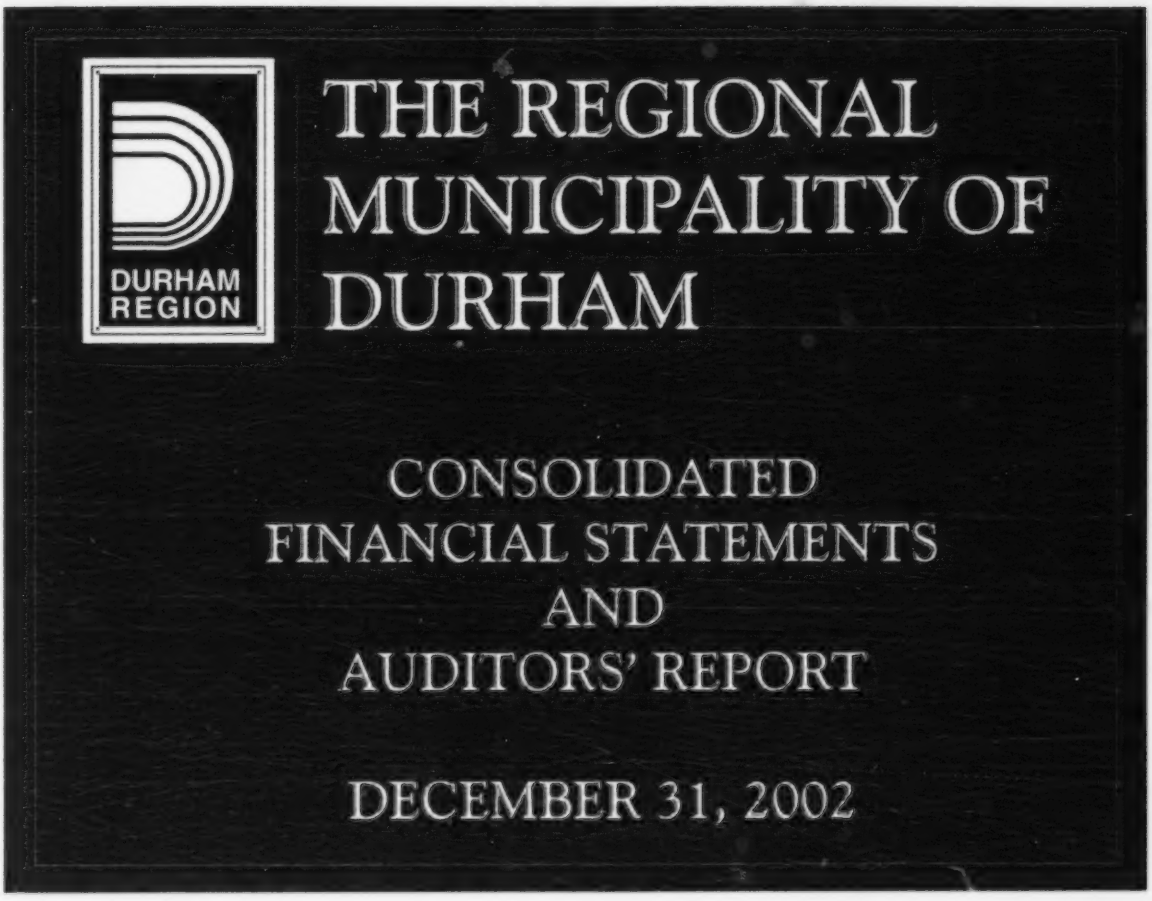
The Management of the Corporation of the Regional Municipality of Durham is responsible for the integrity of the accompanying Consolidated Financial Statements and all other information contained in this Annual Report. The financial statements herein have been prepared in accordance with accounting policies that conform to local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Where the determination of assets and liabilities is dependent upon future events, amounts are based upon reasonably determined estimates and judgements. Financial data elsewhere in the Annual Report is consistent with that of the Consolidated Financial Statements.

Management maintains accounting, budget and other internal controls, as well as an internal audit function to provide assurance that transactions are appropriately authorized and recorded accurately, that assets are secured and accounted for, and the integrity and completeness of financial records can be maintained.

The 2002 Consolidated Financial Statements, Supporting Schedules, and Trust Funds: Financial Statements have been independently audited by Deloitte and Touche LLP. The scope of their examination and their opinions follow.

**R.J. Clapp, CA**
***Commissioner of Finance and Treasurer***

July 31, 2003




# THE REGIONAL MUNICIPALITY OF DURHAM

## CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT

## DECEMBER 31, 2002

5140 Yonge Street, Suite 1700
Toronto, ON M2N 6L7
Canada

Tel: (416) 601 6150
Fax: (416) 229 2524
www.deloitte.ca

Deloitte & Touche

## Auditors' Report

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of the
Regional Municipality of Durham

We have audited the consolidated statement of financial position of the Corporation of the Regional Municipality of Durham as at December 31, 2002 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the Region's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, the consolidated financial statements presents fairly, in all material respects, the financial position of the Corporation of the Regional Municipality of Durham as at December 31, 2002 and the results of its operations and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

Toronto, Ontario
June 17, 2003

Deloitte
Touche
Tohmatsu

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Statement of Financial Position

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

| | 2002 | 2001 |
|---|---|---|
| **ASSETS** | | |
| **Financial Assets** | | |
| Cash and short-term investments (Note 3) | $ 563,686 | $ 513,703 |
| Accounts receivable | 31,162 | 29,575 |
| Other assets | 2,279 | 2,273 |
| Debenture debt recoverable from Area Municipalities and School Boards (Note 4) | 107,116 | 67,589 |
| | $ 704,243 | $ 613,140 |
| **LIABILITIES** | | |
| Accounts payable and accruals | $ 77,255 | $ 87,739 |
| Deferred revenue - Schedule 5 (Note 8) | 119,816 | 98,683 |
| Other deferred revenues | 16,447 | 16,681 |
| Debenture debt (Note 4) | 192,140 | 159,252 |
| Solid waste closure and post closure costs (Note 7) | 3,180 | 3,160 |
| Employee benefits and post employment liabilities (Note 6) | 59,798 | 62,737 |
| | 468,636 | 428,252 |
| **NET FINANCIAL ASSETS** | $ 235,607 | $ 184,888 |
| **MUNICIPAL POSITION** | | |
| Operating Fund - Schedule 1 | 230 | 230 |
| Capital Fund - Schedule 2 | 55,981 | 57,337 |
| Reserves and Reserve Funds - Schedule 3 (Note 5) | 323,154 | 281,549 |
| Fund Balances | 379,365 | 339,116 |
| Amounts to be recovered in future years (Note 9) | | |
| From reserves and reserve funds | (28,808) | (24,809) |
| From future revenue | (114,950) | (129,419) |
| | (143,758) | (154,228) |
| Municipal equity | 235,607 | 184,888 |
| | $ 704,243 | $ 613,140 |

The accompanying notes and schedules are an integral part of these financial statements.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Statement of Financial Activities

**Year ended December 31, 2002**
**(All figures rounded to the nearest thousand)**

| | 2002 | | 2001 |
|---|---|---|---|
| | Budget (Note 16) | Actual | Actual |
| REVENUE | | | |
| Regional taxes (including supplementary taxes) | $ 279,781 | $ 286,263 | $ 273,966 |
| User charges | | | |
| Water and sewer | 76,003 | 82,786 | 77,741 |
| Other | 45,217 | 54,603 | 39,381 |
| Fine revenue | 5,295 | 5,285 | 4,687 |
| Grants | | | |
| Government of Canada | 8,875 | 8,800 | 630 |
| Province of Ontario | 121,901 | 107,404 | 100,674 |
| Development charges - Schedule 5 (Note 8) | 34,064 | 26,278 | 23,173 |
| Contributions from developers | 357 | 327 | 1,830 |
| Area municipal recoveries | 3,173 | 3,942 | 3,905 |
| Other | 10,639 | 29,063 | 44,366 |
| TOTAL REVENUE | 585,305 | 604,751 | 570,353 |
| EXPENDITURE (Note 10) | | | |
| Operating Fund - Schedule 1 | 470,682 | 456,616 | 429,381 |
| Capital Fund - Schedule 2 | 168,516 | 96,242 | 96,743 |
| Reserves and Reserve Funds - Schedule 3 | - | 1,174 | 1,314 |
| TOTAL EXPENDITURE | 639,198 | 554,032 | 527,438 |
| NET (EXPENDITURE) REVENUE | (53,893) | 50,719 | 42,915 |
| FINANCING ACTIVITIES | | | |
| Add new debt issued for Regional purposes | 67,400 | - | 5,000 |
| Less Regional debt principal repayments | (7,492) | (6,639) | (5,868) |
| (Decrease) increase in unfunded post employment benefits liabilities | - | (3,851) | 3,936 |
| Increase (decrease) in landfill closure and post closure liabilities | - | 20 | (62) |
| INCREASE (DECREASE) IN AMOUNTS TO BE RECOVERED | 59,908 | (10,470) | 3,006 |
| CHANGE IN FUND BALANCES | 6,015 | 40,249 | 45,921 |
| FUND BALANCES, BEGINNING OF YEAR | - | 339,116 | 293,195 |
| FUND BALANCES, END OF YEAR | $ 6,015 | $ 379,365 | $ 339,116 |

The accompanying notes and schedules are an integral part of these financial statements.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Statement of Changes in Financial Position

**Year ended December 31, 2002**

**(All figures rounded to the nearest thousand)**

| | 2002 | 2001 |
|---|---|---|
| OPERATIONS | | |
| Net revenue | **$ 50,719** | $ 42,915 |
| Uses | | |
| Increase in accounts receivable | **(1,587)** | (1,928) |
| Increase in other assets | **(6)** | (38) |
| Decrease in accounts payable and accruals | **(10,484)** | (4,229) |
| Decrease in landfill closure and post closure liabilities | **-** | (62) |
| Decrease in other deferred revenues | **(234)** | - |
| Decrease in post employment benefits | **(2,939)** | - |
| | **(15,250)** | (6,257) |
| Sources | | |
| Increase in other deferred revenue | **-** | 4,766 |
| Increase in deferred revenue | **21,133** | 17,921 |
| Increase in landfill closure and post closure liabilities | **20** | - |
| Increase in post employment benefits | **-** | 4,513 |
| | **21,153** | 27,200 |
| Net increase in cash from operations | **56,622** | 63,858 |
| FINANCING | | |
| Long-term debt issued for Regional purposes | **-** | 5,000 |
| Regional long-term debt repaid | **(6,639)** | (5,868) |
| Net increase (decrease) in cash from financing activities | **(6,639)** | (868) |
| NET CHANGE IN CASH AND SHORT-TERM INVESTMENTS | **49,983** | 62,990 |
| CASH AND SHORT-TERM INVESTMENTS, BEGINNING OF YEAR | **513,703** | 450,713 |
| CASH AND SHORT-TERM INVESTMENTS, END OF YEAR | **$ 563,686** | $ 513,703 |

The accompanying notes and schedules are an integral part of these financial statements.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 1. MUNICIPAL STRUCTURE

The Regional Municipality of Durham came into existence on October 15, 1973 and assumed its responsibilities on January l, 1974, under the authority of the Regional Municipality of Durham Act, 1973.

The Region comprises the following Local Municipalities:

- City of Oshawa
- City of Pickering
- Town of Ajax
- Town of Whitby
- Municipality of Clarington
- Township of Brock
- Township of Scugog
- Township of Uxbridge

and is responsible for services within these Local Municipalities related to the following:

- Protection to persons and property, including Police, Conservation Authorities, Emergency Planning, Fire Co-ordination and 911 Emergency Telephone services.
- Transportation Services, including all Regional Roadways and Traffic Control.
- Environmental Services, including the Water Supply System, Sanitary Sewerage System, Regional Storm Sewer System and Solid Waste Management.
- Health Services, including Public Health Services and Inspections
- Emergency Medical Services.
- Social and Family Services, including Ontario Works, Services for Seniors, and Children's Services.
- Social Housing Services, including provision of subsidized housing, rent supplement programs and homelessness shelters.
- Planning, including official plan administration.
- Regional Development and Promotion.
- Administration, prosecution and collection of fines under the Provincial Offences Act (POA).
- Financial, including all debt issues and property tax policy.

### 2. SUMMARY OF ACCOUNTING POLICIES

The Consolidated Financial Statements of the Corporation of the Regional Municipality of Durham are the representations of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM
## Notes to the Consolidated Financial Statements
**December 31, 2002**
**(All figures rounded to the nearest thousand)**

**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

*(a) Basis of Statement Presentation*

i. The consolidated financial statements reflect the activities of the Operating Fund, Reserves, Reserve Funds, and the Capital Fund of the municipality, including the activities of the Durham Region Police Services Board, and the Durham Regional Local Housing Corporation. The operations of other social housing providers are not consolidated in these financial statements as the Region neither owns nor controls them (Note 14). Funding paid to these providers is recorded as Social Housing Expenditures in the Consolidated Schedule of Operating Fund Activities.

ii. The Trust Funds administered by the municipality are not included in these consolidated financial statements. The Trust Funds financial statements are disclosed separately in the Trust Funds Statement of Continuity and Balance Sheet.

*(b) Basis of Accounting*

i. Accrual Basis of Accounting

Expenditures and their related sources of financing are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

ii. Capital Assets

The historical cost and accumulated depreciation of capital assets are not reported for municipal purposes. Capital assets are reported as an expenditure in the Consolidated Statement of Financial Activities in the year of acquisition.

iii. Post Employment Benefits

The present value of providing employees with post employment benefits is recognized as employees earn these entitlements through service.

iv. Deferred Revenue

Deferred revenue represents development charge fees which have been collected, but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year in which the related services are performed.

v. Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 3. CASH AND SHORT-TERM INVESTMENTS

Included in cash and short-term investments are short-term investments of $556,155 (2001 - $506,332) recorded at cost and with a market value of $556,375 (2001 - $507,565).

### 4. DEBENTURE DEBT

(a) The balance of debenture debt reported on the Consolidated Statement of Financial Position is made up of the following:

| | 2002 | 2001 |
|---|---|---|
| Total debenture debt incurred | **$191,851** | $158,605 |
| In addition, the Region has assumed responsibility for payment of principal and interest charges on certain debentures issued by the Province of Ontario | **289** | 647 |
| Total | **192,140** | 159,252 |
| Less debenture debt recoverable from local municipalities and school boards | **107,116** | 67,589 |
| Net Regional Debt | **$85,024** | $91,663 |

Of the debenture debt shown above, the responsibility for payment of principal and interest charges has been assumed by other municipalities and school boards for a principal amount of $107,116 (2001 - $67,589). The Region of Durham is contingently liable for those debentures for which other municipalities and school boards have assumed the responsibility for payment of principal and interest.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 4. DEBENTURE DEBT (continued)

(b) The debenture debt principal repayment required over the next five years is as follows:

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|
| Water Supply Operation | $3,019 | $3,194 | $3,382 | $3,575 | $3,604 |
| Sanitary Sewerage Operation | 1,537 | 1,324 | 1,404 | 1,493 | 1,254 |
| Police Services Board | 774 | 245 | 258 | 272 | - |
| Homes for the Aged | 1,603 | 1,693 | 1,791 | 1,897 | 2,009 |
| | $ 6,933 | $ 6,456 | $ 6,835 | $ 7,237 | $ 6,867 |

These annual principal and interest payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

(c) Charges for Debenture Debt

Total interest charges for the year for debenture debt that are reported on the Consolidated Statement of Financial Activities are as follows:

| | **2002** | 2001 |
|---|---|---|
| Interest | $ 5,644 | $ 5,801 |

Of the total 2002 charges shown above, $1,864 was paid from general municipal revenues of the municipality, $2,366 was recovered from the water supply operation and $1,414 was recovered from the sanitary sewerage operation. These amounts are included on the Consolidated Statement of Financial Activities classified under the appropriate functional expenditure headings.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 5. RESERVES AND RESERVE FUNDS

Reserves and Reserve Funds set aside for specific purposes by Council are comprised as follows:

| | 2002 | 2001 |
|---|---|---|
| Reserves | | |
| Working capital | $ 23,279 | $ 21,642 |
| Property tax assessment appeals | 11,240 | 10,920 |
| Equipment replacement | 10,611 | 10,202 |
| Regional roads | 2,840 | 1,957 |
| Contingencies | 400 | 400 |
| Sick leave | 20,545 | 16,246 |
| Capital construction | 46,594 | 38,709 |
| Homes for the aged | 1,133 | 1,133 |
| Durham Regional Local Housing | 494 | - |
| Sub-total Reserves | 117,136 | 101,209 |
| Reserve Funds | | |
| Treatment Plant/Rate Stabilization | | |
| Sanitary sewage | 60,271 | 49,612 |
| Water supply | 34,870 | 32,023 |
| Regional share of non-residential development | | |
| Sanitary sewage | 3,316 | 3,228 |
| Water supply | 2,607 | 2,538 |
| Solid waste management | 13,177 | 12,851 |
| Highway #2 | 434 | 617 |
| General levy stabilization | 45,263 | 45,768 |
| 911 emergency telephone system | 64 | 63 |
| Industrial land | 1,010 | 983 |
| Roads property acquisition | 303 | 295 |
| Foreign exchange | 3,748 | 3,648 |
| Workers' compensation | 11,773 | 10,500 |
| York/Durham sanitary sewage | 3,572 | 3,302 |
| Insurance | 12,304 | 11,842 |
| Social Housing | 3,704 | 2,289 |
| Roads rehabilitation | 41 | - |
| Emergency medical services | 415 | 404 |
| Durham University Centre | 388 | 377 |
| Durham Regional Cancer Centre | 7,607 | - |
| Police Capital | 1,151 | - |
| Sub-total Reserve Funds | 206,018 | 180,340 |
| Total Reserves and Reserve Funds | $323,154 | $ 281,549 |

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 6. EMPLOYEE BENEFITS AND POST EMPLOYMENT LIABILITIES

Employee benefits and post employment liabilities are comprised as follows:

| | 2002 | 2001 |
|---|---|---|
| Sick leave | $ 25,519 | $ 27,468 |
| Workplace safety and insurance benefits | 8,263 | 8,563 |
| Post employment benefits | 22,919 | 20,512 |
| Paid leave benefit | 3,097 | 6,194 |
| Total employee benenfits and post employment liabilities | 59,798 | 62,737 |
| Less: post retirement liability recognized for existing retirees | (4,244) | (3,332) |
| Total employee benefits and post employment liabilities to be recovered in future years | $ 55,554 | $ 59,405 |

*( a) Sick Leave Benefits*

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Region's employment. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by employees on termination, amounted to $25,519 (2001 - $27,468). An amount of $1,823 (2001 - $1,463) was paid to employees who left the Region's employment during the current year. Anticipated payments for vested sick leave over the next five years to employees who are eligible to retire are as follows:

| | |
|---|---|
| 2003 | $ 8,160 |
| 2004 | $ 3,264 |
| 2005 | $ 2,448 |
| 2006 | $ 1,632 |
| 2007 | $ 816 |

*(b) Workplace Safety and Insurance*

The Region is a Schedule II employer under the Workplace Safety and Insurance Act and follows a policy of self-insurance for all its employees. An actuarial valuation was completed for the year 2000, which identified that the amount provided in the liability account at year-end is sufficient to cover the potential liability of all existing claims. The valuation has been updated for 2002 information.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 6. EMPLOYEE BENEFITS AND POST EMPLOYMENT LIABILITIES (continued)

*(c) Paid Leave Benefit*

The Durham Region Police Services Board allows employees who may be eligible to retire to exercise the option of utilizing their sick leave credits for up to a maximum of one year paid leave. This option will terminate as of December 30, 2003. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by employees on termination, amounted to $3,097 (2001 - $6,194) at the end of the year. An amount of $583 (2001 - $446) was paid to employees who left the Region's employment during the current year.

*(d) Health Benefits*

The Region makes available to qualifying employees who retire before the age of 65, the opportunity to continue their coverage for such benefits as extended health care, drugs, dental care and life insurance. Coverage ceases at the age of 65 for all Regional employees, with the exception of employees of the Police Services Board for which a benefit allowance is provided from the age of 65 to 70.

The significant actuarial assumptions adopted in estimating the Region's accrued health benefits are as follows:

| | |
|---|---|
| Discount rate | 6% |
| Dental benefit cost escalation | 5% per year |
| Medical benefit cost escalation | 10% per year reducing to 5% per year over 15 years |

The value of this benefit liability is estimated at $22,919 (2001 - $20,512). The unfunded portion of the liability is $18,675 (2001 - $17,180). The Region has expensed the estimate for past employees covered by these benefits, and the benefit liability expensed at December 31, 2002 for past employees was $4,244 (2001 - $3,332).

### 7. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The Region currently owns and operates one active landfill site and six closed landfill sites. The total estimated expenditure (using a discount factor of 6.0% less an estimated inflation factor of 3.0%) for closure and post-closure costs are $3,629 (2001 - $3,628). The amount reported on the Consolidated Statement of Financial Position is $3,180 (2001 - $3,160) and the amount remaining to be recognized is $449 (2001 - $468).

The Region is responsible for post-closure at the six inactive sites, which includes the monitoring of ground and surface water, leachate and gas, ongoing maintenance and annual reporting, for a period of 40 years. Closure costs include final cover and vegetation, drainage control features, leachate control or monitoring systems, water quality monitoring systems, gas monitoring and recovery, land acquisition (buffer zones), site remediation, and site closure reports.

The liability for closure and post-closure care is recognized as the capacity of each site is used. For any closed sites, 100% of the liability is recognized. It is estimated that sufficient landfill capacity exists at the active site for an additional 21 years.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 8. DEFERRED REVENUE

Deferred revenue represents development charges collected from growth related residential and commercial building activity in accordance with the Development Charges Act 1997. Detail of the activity affecting deferred revenue is provided in Schedule 5.

### 9. AMOUNTS TO BE RECOVERED IN FUTURE YEARS

Amounts to be recovered in future years represent the necessity of the Region of Durham to raise funds in future years to finance unfunded liabilities.

| | 2002 | 2001 |
|---|---|---|
| Unfunded post employment benefits | **$ 55,554** | $ 59,405 |
| Solid waste landfill closure and post closure costs | **3,180** | 3,160 |
| Debenture debt | **192,140** | 159,252 |
| Less debenture debt recoverable from local municipalities and school boards | **(107,116)** | (67,589) |
| Total amounts to be recovered in future years | **143,758** | 154,228 |
| Funding available from reserves and reserve funds | | |
| Sick leave reserve | **20,545** | 16,246 |
| Workers compensation reserve fund | **8,263** | 8,563 |
| | **28,808** | 24,809 |
| Amounts to be recovered from future revenue | **$114,950** | $ 129,419 |

### 10. CLASSIFICATION OF EXPENDITURES BY OBJECT

The Consolidated Statement of Financial Activities presents the expenditures by function; the following classifies those same expenditures by object:

| | 2002 | 2001 |
|---|---|---|
| Salaries, wages and employee benefits | **$219,279** | $ 202,105 |
| Operating materials and supplies | **64,335** | 56,925 |
| Contracted services | **47,923** | 44,132 |
| Rents and financial expenses | **13,559** | 16,808 |
| External transfers to others | **107,050** | 104,924 |
| Capital expenditures | **96,242** | 96,743 |
| Debenture interest | **5,644** | 5,801 |
| Total expenditures by object | **$554,032** | $ 527,438 |

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 11. PENSION AGREEMENTS

The Region makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 3,910 Regional employees. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. No amount was contributed to OMERS in 2002 or 2001 for current service.

The OMERS Board implemented a temporary contribution reduction effective January 1, 1998, followed by a temporary contribution holiday for active members and participating employers effective August 1, 1998. The contribution holiday ended December 31, 2002 and the contribution rates will begin to rise gradually, by equal amounts, until 2004. While the contribution holiday is in effect, Regional Council authorized the transfer of a portion of the savings from the reduction to the Sick Leave Reserve, with the remaining savings being set aside in the Capital Construction Reserve, to reduce any future debenture requirements for certain capital projects.

### 12. CONTRACTUAL OBLIGATIONS

*(a) Sanitary Sewerage System*

In 1997, the Regional Municipality of Durham and the Regional Municipality of York jointly purchased certain sanitary sewerage systems from the Province of Ontario and entered into a joint operating agreement, whereby Durham will operate and maintain these facilities. Each co-owner is responsible for its share of the operating costs based on actual flows.

*(b) Lease Commitments*

The Region has commitments under various building lease agreements expiring in 2003 to 2007. These leases require approximate annual rental payments for the next five years as follows:

| | |
|---|---|
| 2003 | $ 5,168 |
| 2004 | 4,772 |
| 2005 | 3,513 |
| 2006 | 970 |
| 2007 | 546 |

### 13. CONTINGENCY

The Region has been named as the defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable as at December 31, 2002, and accordingly, no provision has been made in these financial statements for any liability that may result.

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Notes to the Consolidated Financial Statements

**December 31, 2002**
**(All figures rounded to the nearest thousand)**

### 14. SOCIAL HOUSING REFORM ACT

Effective January 1, 2001, under the provisions of Bill 128 the Province of Ontario transferred the social housing units of the Ontario Housing Corporation located in the Region to the Durham Region Local Housing Corporation (DRLHC), under the provisions of the Ontario Business Corporations Act, with the Regional Municipality of Durham as the sole shareholder. Financial activities of the DRLHC are reported on a consolidated basis with the financial activities of the Region.

Income producing properties acquired as a result of the transfer were originally financed by the Province of Ontario through general obligation provincial debentures. At the time of the transfer of ownership of the LHC to the Region, the Province did not transfer the responsibility for the repayment of the debentures. Accordingly, neither the value of the income producing properties nor the value of the related provincial debentures were recorded on the DRLHC's financial statements. The remaining assets and liabilities acquired were recorded at book value resulting in a contributed surplus of $230.

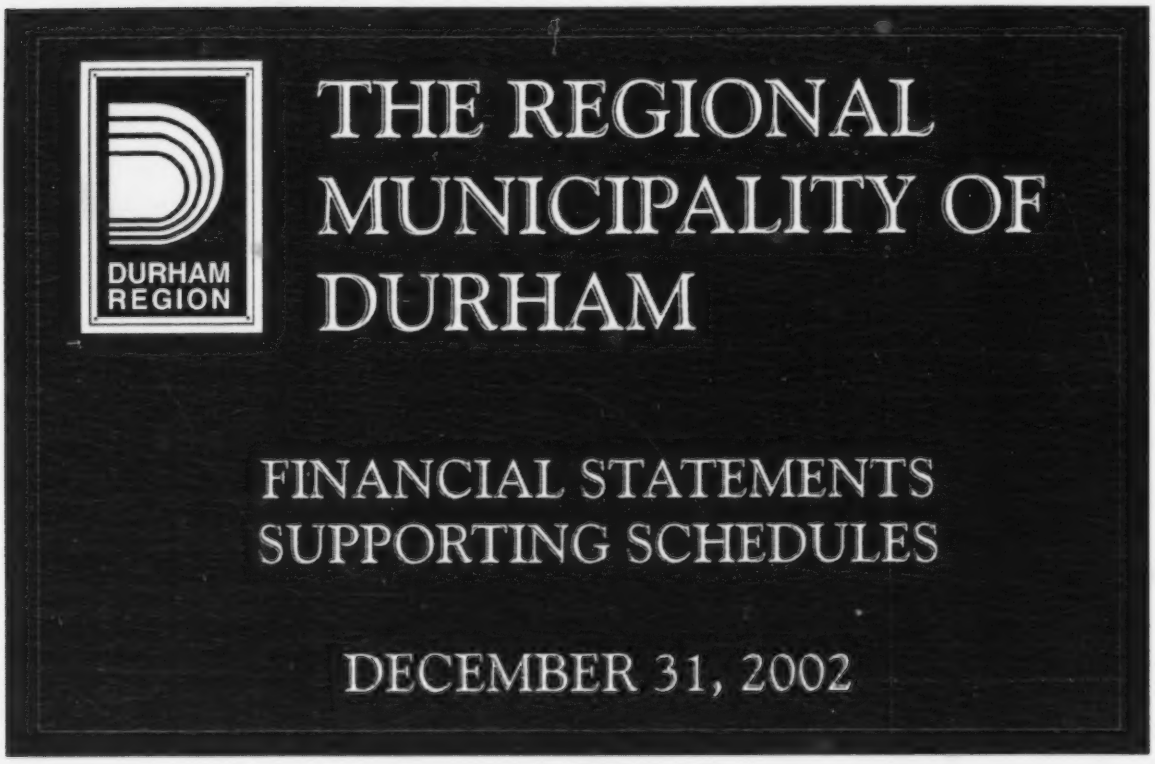
Effective February 1, 2002 the Region was designated as the Service Manager responsible for the administration of social housing services in the Region, including the disbursement of subsidy to housing providers.

### 15. TRUST FUNDS

Trust Funds administered by the municipality amounting to $899 (2001 - $865) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Financial Activities. The Trust Funds are reported separately.

### 16. BUDGET FIGURES

The approved operating and capital budgets for 2002 are reflected on the Consolidated Schedule of Operating Fund Financial Activities, Consolidated Schedule of Capital Fund Financial Activities, and the Consolidated Statement of Financial Activities. The budgets established for the Capital Fund operations are on a project oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with the current years actual amounts. As well, the municipality does not budget for activity within Reserves and Reserve Funds, with the exception being those transactions which affect either the Operating or Capital Funds.


DURHAM
REGION
THE REGIONAL
MUNICIPALITY OF
DURHAM
FINANCIAL STATEMENTS
SUPPORTING SCHEDULES
DECEMBER 31, 2002

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Schedule of Operating Fund Financial Activities

**Year ended December 31, 2002**
**(All figures rounded to the nearest thousand)** **Schedule 1**

| | 2002 | | 2001 |
|---|---|---|---|
| | Budget (Note 16) | Actual | Actual |
| REVENUE | | | |
| Regional taxes (including supplementary taxes) | $ 279,781 | $ 286,263 | $ 273,966 |
| User charges | | | |
| Water and sewer | 76,003 | 82,786 | 77,741 |
| Other | 45,217 | 54,603 | 39,381 |
| Fine revenue | 5,295 | 5,285 | 4,687 |
| Grants | | | |
| Government of Canada | 8,650 | 8,800 | 630 |
| Province of Ontario | 114,861 | 106,943 | 100,301 |
| Development charges - Schedule 5 (Note 8) | 6,434 | 6,419 | 6,410 |
| Other | 10,639 | 18,910 | 20,440 |
| TOTAL REVENUE | 546,880 | 570,009 | 523,556 |
| EXPENDITURE | | | |
| General government | 16,684 | 17,225 | 17,608 |
| Protection to persons and property | 94,709 | 98,788 | 88,298 |
| Transportation services | 24,921 | 23,027 | 27,712 |
| Environmental services | 94,311 | 90,286 | 84,663 |
| Health services | 36,795 | 34,460 | 30,747 |
| Social and family services | 154,078 | 142,958 | 137,532 |
| Social housing | 44,166 | 45,079 | 38,324 |
| Planning and development | 5,018 | 4,793 | 4,497 |
| TOTAL EXPENDITURE | 470,682 | 456,616 | 429,381 |
| NET REVENUE | 76,198 | 113,393 | 94,175 |
| FINANCING ACTIVITIES | | | |
| Debt principal repayments | (7,492) | (6,639) | (5,868) |
| (Decrease) increase in unfunded post employment benefits liabilities | - | (3,851) | 3,936 |
| Increase (decrease) in landfill closure and post closure liabilities | - | 20 | (62) |
| Transfer from reserves and reserve funds | 7,094 | 2,378 | 1,887 |
| Transfer to capital fund | (46,261) | (43,700) | (38,830) |
| Transfer to reserves and reserve funds | (29,539) | (61,601) | (55,008) |
| NET FINANCING ACTIVITIES | (76,198) | (113,393) | (93,945) |
| CHANGE IN FUND BALANCE | - | - | 230 |
| FUND BALANCES, BEGINNING OF YEAR | - | 230 | - |
| FUND BALANCES, END OF YEAR | $ - | $ 230 | $ 230 |

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Schedule of Capital Fund Financial Activities

**Year ended December 31, 2002**
**(All figures rounded to the nearest thousand)** **Schedule 2**

| | 2002 | | 2001 |
|---|---|---|---|
| | Budget (Note 16) | Actual | Actual |
| REVENUE | | | |
| Grants | | | |
| Government of Canada | $ 225 | $ - | $ - |
| Province of Ontario | 7,040 | 461 | 373 |
| Development charges - Schedule 5 (Note 8) | 27,630 | 19,859 | 16,763 |
| Contribution from developers | 357 | 327 | 1,830 |
| Area municipal recoveries | 3,173 | 3,942 | 3,905 |
| Other revenue | - | 2,743 | 3,221 |
| TOTAL REVENUE | 38,425 | 27,332 | 26,092 |
| EXPENDITURE | | | |
| General government | 2,957 | 3,098 | 2,175 |
| Protection to persons and property | 3,813 | 7,188 | 8,768 |
| Transportation services | 35,061 | 36,083 | 21,277 |
| Environmental services | 50,981 | 33,863 | 32,753 |
| Health services | 6,646 | 2,341 | 809 |
| Social and family services | 67,310 | 11,785 | 29,924 |
| Social housing | 1,608 | 1,567 | 896 |
| Planning and development | 140 | 317 | 141 |
| TOTAL EXPENDITURE | 168,516 | 96,242 | 96,743 |
| NET EXPENDITURE | (130,091) | (68,910) | (70,651) |
| FINANCING ACTIVITIES | | | |
| Proceeds from long term debt | 67,400 | - | 5,000 |
| Transfer from operating fund | 46,261 | 43,700 | 38,830 |
| Transfer from reserves and reserve funds | 16,430 | 23,854 | 31,189 |
| NET FINANCING AND TRANSFERS | 130,091 | 67,554 | 75,019 |
| CHANGE IN FUND BALANCE | - | (1,356) | 4,368 |
| FUND BALANCE, BEGINNING OF YEAR | - | 57,337 | 52,969 |
| FUND BALANCE, END OF YEAR | $ - | $ 55,981 | $ 57,337 |

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Schedule of Reserves and Reserve Funds Financial Activities

**Year ended December 31, 2002**
**(All figures rounded to the nearest thousand)** **Schedule 3**

| | 2002 | | 2001 |
|---|---|---|---|
| | Budget (Note 16) | Actual | Actual |
| REVENUE | | | |
| Other | $ - | $ 7,410 | $ 20,705 |
| TOTAL REVENUE | - | 7,410 | 20,705 |
| EXPENDITURE | | | |
| General government | - | 52 | 48 |
| Protection to persons and property | - | 723 | 645 |
| Transportation services | - | 302 | 476 |
| Environmental services | - | 67 | 13 |
| Health services | - | 30 | 5 |
| Social and family services | - | - | - |
| Planning and Development | - | - | 127 |
| TOTAL EXPENDITURE | - | 1,174 | 1,314 |
| NET REVENUE | - | 6,236 | 19,391 |
| TRANSFERS | | | |
| Transfer from operating fund | 29,539 | 61,601 | 55,008 |
| Transfer to capital fund | (16,430) | (23,854) | (31,189) |
| Transfer to operating fund | (7,094) | (2,378) | (1,887) |
| NET TRANSFERS | 6,015 | 35,369 | 21,932 |
| CHANGE IN FUND BALANCE | 6,015 | 41,605 | 41,323 |
| FUND BALANCE, BEGINNING OF YEAR | - | 281,549 | 240,226 |
| FUND BALANCE, END OF YEAR | $ 6,015 | $ 323,154 | $ 281,549 |

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Schedule of Continuity of Reserve Funds

**Year ended December 31, 2002**

**(All figures rounded to the nearest thousand)** **Schedule 4**

| | | REVENUE | | | | EXPENDITURE | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | BALANCE, BEGINNING OF YEAR | Interest on investments | Contribution from operating fund | Other | Total | Contribution to operating fund | Other | Contribution to capital fund | Total | BALANCE, END OF YEAR |
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Treatment Plant/Rate Stabilization | | | | | | | | | | |
| Sanitary Sewage | 49,612 | 1,377 | 9,282 | - | 10,659 | - | - | - | - | 60,271 |
| Water Supply | 32,023 | 883 | 1,964 | - | 2,847 | - | - | - | - | 34,870 |
| Regional Share of Non-Residential Development | | | | | | | | | | |
| Sanitary Sewage | 3,228 | 88 | - | - | 88 | - | - | - | - | 3,316 |
| Water Supply | 2,538 | 69 | - | - | 69 | - | - | - | - | 2,607 |
| Solid Waste Management | 12,851 | 371 | 337 | - | 708 | - | - | 382 | 382 | 13,177 |
| Industrial Land | 983 | 27 | - | - | 27 | - | - | - | - | 1,010 |
| Foreign Exchange | 3,648 | 100 | - | - | 100 | - | - | - | - | 3,748 |
| Roads Property Acquisition | 295 | 8 | - | - | 8 | - | - | - | - | 303 |
| Workers' Compensation | 10,500 | 309 | 964 | - | 1,273 | - | - | - | - | 11,773 |
| Emergency Medical Services | 404 | 11 | - | - | 11 | - | - | - | - | 415 |
| 911 Emergency Telephone | 63 | 1 | - | - | 1 | - | - | - | - | 64 |
| General Levy Stabilization | 45,768 | 1,070 | 12,250 | - | 13,320 | 1,350 | 7,500 | 4,975 | 13,825 | 45,263 |
| York/Durham Sanitary Sewage | 3,302 | 95 | 175 | - | 270 | - | - | - | - | 3,572 |
| Highway 2 | 617 | 17 | - | - | 17 | 200 | - | - | 200 | 434 |
| Insurance | 11,842 | 311 | 1,297 | 28 | 1,636 | - | 1,174 | - | 1,174 | 12,304 |
| Durham University Centre | 377 | 11 | - | - | 11 | - | - | - | - | 388 |
| Social Housing | 2,289 | 82 | 863 | 470 | 1,415 | - | - | - | - | 3,704 |
| Roads Rehabilitation | - | 48 | 2,236 | - | 2,284 | - | - | 2,243 | 2,243 | 41 |
| Durham Regional Cancer Center | - | 107 | - | 7,500 | 7,607 | - | - | - | - | 7,607 |
| Police Capital Fund | - | - | 1,151 | - | 1,151 | - | - | - | - | 1,151 |
| Total | 180,340 | 4,985 | 30,519 | 7,998 | 43,502 | 1,550 | 8,674 | 7,600 | 17,824 | 206,018 |

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Consolidated Schedule of Continuity of Deferred Revenue

**Year ended December 31, 2002**
**(All figures rounded to the nearest thousand)**

**Schedule 5**

| | Sanitary Sewage Residential & Commercial | Water Supply Residential & Commecial | Regional Roads Residential & Commercial | Waste Disposal Residential | Administrative Facilities Residential | Police Residential | Homes For the Aged Residential | Development Charge Study Residential | GO Transit | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| BALANCE, BEGINNING OF YEAR | 28,999 | 45,787 | 14,612 | 4,289 | 1,984 | 2,221 | 698 | 84 | 9 | 98,683 |
| Increase in deferred revenue | | | | | | | | | | |
| Interest | 838 | 1,245 | 387 | 117 | 54 | 73 | 24 | 3 | 29 | 2,770 |
| Development charges | 11,721 | 20,288 | 8,870 | - | - | 972 | 403 | 43 | 2,344 | 44,641 |
| | 12,559 | 21,533 | 9,257 | 117 | 54 | 1,045 | 427 | 46 | 2,373 | 47,411 |
| Application of deferred revenue | | | | | | | | | | |
| Contribution to operating fund for growth related debentures | | | | | | | | | | |
| Sanitary Sewerage | 2,177 | - | - | - | - | - | - | - | - | 2,177 |
| Water Supply | - | 4,242 | - | - | - | - | - | - | - | 4,242 |
| Contribution to capital fund | 2,602 | 8,041 | 8,699 | - | - | 485 | - | 32 | - | 19,859 |
| TOTAL APPLICATION | 4,779 | 12,283 | 8,699 | - | - | 485 | - | 32 | - | 26,278 |
| BALANCE, END OF YEAR | 36,779 | 55,037 | 15,170 | 4,406 | 2,038 | 2,781 | 1,125 | 98 | 2,382 | 119,816 |

# THE REGIONAL MUNICIPALITY OF DURHAM

## TRUST FUNDS: FINANCIAL STATEMENTS AND AUDITORS' REPORT

## DECEMBER 31, 2002

Deloitte & Touche LLP
5140 Yonge Street, Suite 1700
Toronto, ON M2N 6L7
Canada

Tel: (416) 601 6150
Fax: (416) 229 2524
www.deloitte.ca

Deloitte & Touche

# Auditors' Report

To the Members of Council, Inhabitants
And Ratepayers of the Corporation of the
Regional Municipality of Durham

We have audited the balance sheet of the trust funds of the Corporation of the Regional Municipality of Durham as at December 31, 2002 and the statement of continuity of the trust funds for the year then ended. These financial statements are the responsibility of the Region's management. Our responsibility is to express an opinion on this financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Trust funds of the Corporation of the Regional Municipality of Durham derive the majority of their receipts in the form of contributions on behalf of the residents of the Homes for the Aged, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of such receipts was limited to the amounts recorded in the records of the trust funds and we were not able to determine whether any adjustments might be necessary to receipts, assets or funds balance at the end of the year.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of trust fund receipts referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the trust funds of the Corporation of the Regional Municipality of Durham as at December 31, 2002 and the continuity of trust funds for the year then ended in accordance with the accounting principles disclosed in the Note to the financial statements.

Deloitte & Touche LLP

Chartered Accountants

Toronto, Ontario
June 17, 2003

Deloitte
Touche
Tohmatsu

# THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM

## Trust Funds - Statement of Continuity

**Year Ended December 31, 2002**
**(All figures rounded to the nearest thousand)**

| | Total | Homes for the Aged | | | Campbell | Social | Miscellaneous |
|---|---|---|---|---|---|---|---|
| | | Residents | Donations | Bequests | Bequest | Services | Donations |
| BALANCE, BEGINNING OF YEAR | $ 865 | $ 518 | $ 144 | $ 136 | $ 1 | $ 3 | $ 63 |
| RECEIPTS ON BEHALF OF: | | | | | | | |
| Residents | 1,659 | 1,605 | 42 | 12 | - | - | - |
| Recipients | 102 | - | - | - | - | 16 | 86 |
| Interest earned | 13 | 6 | 4 | 2 | - | - | 1 |
| Total receipts | 1,774 | 1,611 | 46 | 14 | - | 16 | 87 |
| EXPENDITURES ON BEHALF OF: | | | | | | | |
| Residents | 1,712 | 1,669 | 27 | 16 | - | - | - |
| Recipients | 28 | - | - | - | - | 18 | 10 |
| Total expenditures | 1,740 | 1,669 | 27 | 16 | - | 18 | 10 |
| BALANCE, END OF YEAR | $ 899 | $ 460 | $ 163 | $ 134 | $ 1 | $ 1 | $ 140 |

## Balance Sheet

**As at December 31, 2002**

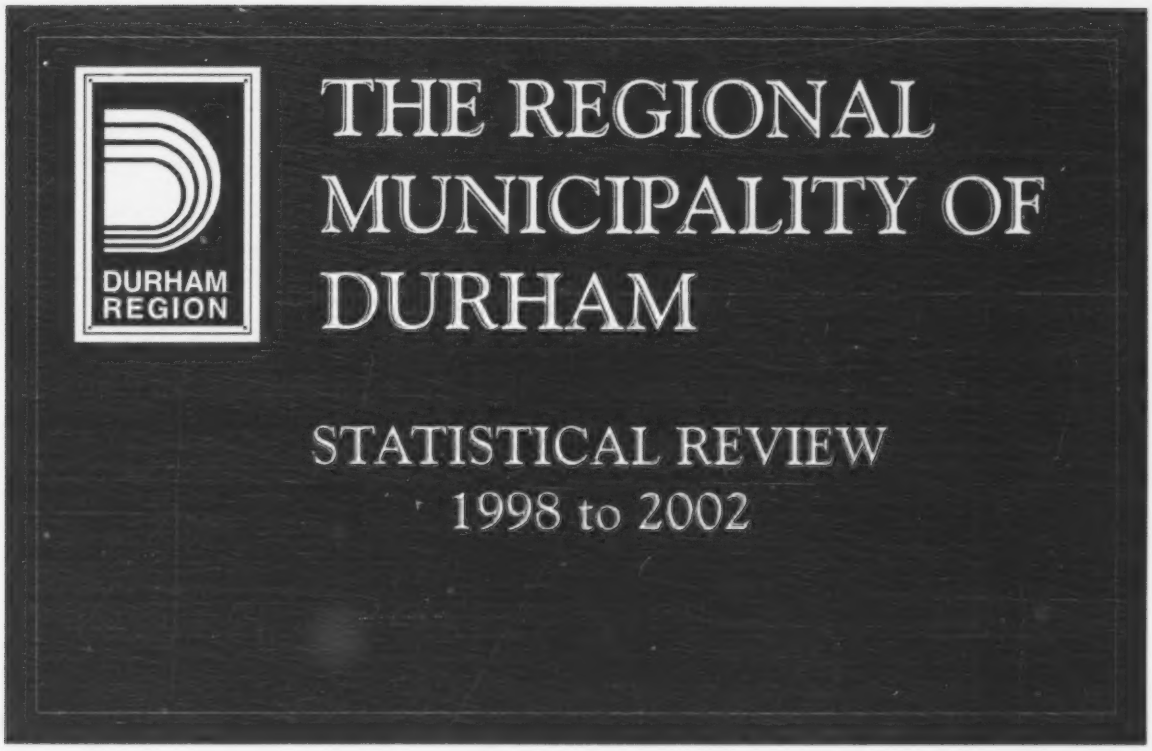
| | Total | Homes for the Aged | | | Campbell | Social | Miscellaneous |
|---|---|---|---|---|---|---|---|
| | | Residents | Donations | Bequests | Bequest | Services | Donations |
| ASSETS | | | | | | | |
| Cash and accrued interest | $ 899 | $ 460 | $ 163 | $ 134 | $ 1 | $ 1 | $ 140 |
| FUND BALANCE | $ 899 | $ 460 | $ 163 | $ 134 | $ 1 | $ 1 | $ 140 |

**NOTE TO TRUST FUNDS FINANCIAL STATEMENT - DECEMBER 31, 2002**

1. **Significant Accounting Policy**

**Basis of Accounting**

Receipts and expenditures are reported on the cash basis of accounting with the exception of interest income which is reported on the accrual basis.


DURHAM
REGION
THE REGIONAL
MUNICIPALITY OF
DURHAM
STATISTICAL REVIEW
1998 to 2002

THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM
STATISTICAL REVIEW (UNAUDITED)
December 31, 2002
(All figures rounded to the nearest thousand unless otherwise stated)

| | 2002 | 2001 | 2000 | 1999 | 1998* |
|---|---|---|---|---|---|
| **CURRENT OPERATIONS** | $ | $ | $ | $ | $ |
| **Analysis of Revenue** | | | | | |
| Regional Taxes | 286,263 | 273,966 | 251,870 | 245,851 | |
| User Charges | | | | | |
| Water and Sewer | 82,786 | 77,741 | 72,201 | 74,211 | |
| Other | 54,603 | 39,381 | 39,330 | 37,280 | |
| Fine Revenue | 5,285 | 4,687 | 2,641 | - | |
| Grants | | | | | |
| Government of Canada | 8,800 | 630 | 51 | 324 | |
| Province of Ontario | 106,943 | 100,301 | 102,442 | 88,643 | |
| Development Charges | 6,419 | 6,410 | 6,002 | 6,455 | |
| Other | 18,910 | 20,440 | 10,622 | 9,125 | |
| TOTAL REVENUE | 570,009 | 523,556 | 485,159 | 461,889 | |
| **Analysis of Expenditure by object** | | | | | |
| Salaries, Wages and Employee Benefits | 219,279 | 202,105 | 168,864 | 150,210 | |
| Operating and General Expenditure | 124,643 | 116,551 | 107,966 | 106,513 | |
| External Transfers to Others | 107,050 | 104,924 | 112,037 | 109,166 | |
| Debenture Interest | 5,644 | 5,801 | 4,615 | 4,083 | |
| TOTAL EXPENDITURE | 456,616 | 429,381 | 393,482 | 369,972 | |
| **Analysis of Expenditure by Function** | | | | | |
| General Government | 17,225 | 17,608 | 15,347 | 18,089 | |
| Protection to Persons and Property | 98,788 | 88,298 | 68,539 | 63,964 | |
| Transportation Services | 23,027 | 27,712 | 26,353 | 21,736 | |
| Environmental Services | 90,286 | 84,663 | 81,170 | 75,083 | |
| Health Services | 34,460 | 30,747 | 24,090 | 18,147 | |
| Social and Family Services | 142,958 | 137,532 | 141,954 | 135,362 | |
| Social Housing | 45,079 | 38,324 | 30,200 | 32,092 | |
| Planning and Development | 4,793 | 4,497 | 5,829 | 5,499 | |
| TOTAL EXPENDITURE | 456,616 | 429,381 | 393,482 | 369,972 | |
| **NET REVENUE** | 113,393 | 94,175 | 91,677 | 91,917 | |
| **Financing and Transfers** | | | | | |
| Debt Principal Repayments | (6,639) | (5,868) | (5,037) | (5,198) | |
| Inc/(Decr) in post employment benefits | (3,851) | 3,936 | (2,826) | - | |
| Inc/(Decr) in landfill closure and post closure liability | 20 | (62) | - | - | |
| Transfer from reserves and reserve funds | 2,378 | 1,887 | 3,092 | 7,429 | |
| Transfer to capital fund | (43,700) | (38,830) | (30,218) | (35,975) | |
| Transfer to reserves and reserve funds | (61,601) | (55,008) | (56,688) | (58,173) | |
| **NET FINANCING ACTIVITIES** | (113,393) | (93,945) | (91,677) | (91,917) | |
| **CHANGE IN FUND BALANCES** | - | 230 | - | - | |
| **FUND BALANCES, BEGINNING OF YEAR** | 230 | - | - | - | |
| **FUND BALANCES, END OF YEAR** | 230 | 230 | - | - | |

* 1998 Financial data has not been converted to the PSAB basis of accounting and as such, is not comparable.

**THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM**
**STATISTICAL REVIEW (UNAUDITED)**
**December 31, 2002**

(All figures rounded to the nearest thousand unless otherwise stated)

| CAPITAL OPERATIONS | 2002<br>$ | 2001<br>$ | 2000<br>$ | 1999<br>$ | 1998*<br>$ |
|---|---|---|---|---|---|
| **Analysis of Revenue** | | | | | |
| Grants | | | | | |
| Government of Canada | - | - | - | 1,385 | |
| Province of Ontario | 461 | 373 | - | 2,898 | |
| Development Charges | 19,859 | 16,763 | 20,680 | 19,977 | |
| Contributions from developers | 327 | 1,830 | 3,302 | 2,780 | |
| Area municipal recoveries | 3,942 | 3,905 | 1,674 | 3,244 | |
| Other revenue | 2,743 | 3,221 | 6,340 | 2,065 | |
| TOTAL REVENUE | 27,332 | 26,092 | 31,996 | 32,349 | |
| **Analysis of Expenditure by Function** | | | | | |
| General Government | 3,098 | 2,175 | 2,409 | 3,344 | |
| Protection to Persons and Property | 7,188 | 8,768 | 6,024 | 6,991 | |
| Transportation Services | 36,083 | 21,277 | 18,557 | 17,822 | |
| Environmental Services | 33,863 | 32,753 | 29,869 | 42,760 | |
| Health Services | 2,341 | 809 | 1,969 | 560 | |
| Social and Family Services | 11,785 | 29,924 | 9,548 | 2,619 | |
| Social Housing | 1,567 | 896 | 6 | - | |
| Planning and Development | 317 | 141 | 87 | 125 | |
| TOTAL EXPENDITURE | 96,242 | 96,743 | 68,469 | 74,221 | |
| **NET REVENUE** | (68,910) | (70,651) | (36,473) | (41,872) | |
| **Financing and Transfers** | | | | | |
| Proceeds from long term debt | - | 5,000 | 25,000 | - | |
| Transfer from operating fund | 43,700 | 38,830 | 30,218 | 35,975 | |
| Transfer from reserves and reserve funds | 23,854 | 31,189 | 20,467 | 5,498 | |
| **NET FINANCING ACTIVITIES** | 67,554 | 75,019 | 75,685 | 41,473 | |
| **CHANGE IN FUND BALANCES** | (1,356) | 4,368 | 39,212 | (399) | |
| **FUND BALANCES, BEGINNING OF YEAR** | 57,337 | 52,969 | 13,757 | 14,156 | |
| **FUND BALANCES, END OF YEAR** | 55,981 | 57,337 | 52,969 | 13,757 | |

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THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM
STATISTICAL REVIEW (UNAUDITED)
December 31, 2002
(All figures rounded to the nearest thousand unless otherwise stated)

| RESERVES AND RESERVE FUNDS | 2002 $ | 2001 $ | 2000 $ | 1999 $ | 1998* $ |
|---|---|---|---|---|---|
| **Analysis of Revenue** | | | | | |
| Other | 7,410 | 20,705 | 7,715 | 5,218 | |
| TOTAL REVENUE | 7,410 | 20,705 | 7,715 | 5,218 | |
| **Analysis of Expenditure by Function** | | | | | |
| General Government | 52 | 48 | 1,546 | 215 | |
| Protection to Persons and Property | 723 | 645 | 451 | 314 | |
| Transportation Services | 302 | 476 | 194 | 100 | |
| Environmental Services | 67 | 13 | 60 | 64 | |
| Health Services | 30 | 5 | - | - | |
| Social and Family Services | - | - | 1 | - | |
| Planning and Development | - | 127 | - | - | |
| TOTAL EXPENDITURE | 1,174 | 1,314 | 2,252 | 693 | |
| **NET REVENUE** | 6,236 | 19,391 | 5,463 | 4,525 | |
| **Financing and Transfers** | | | | | |
| Transfer from operating | 61,601 | 55,008 | 56,688 | 58,173 | |
| Transfer to capital fund | (23,854) | (31,189) | (20,467) | (5,498) | |
| Transfer to operating fund | (2,378) | (1,887) | (3,092) | (7,429) | |
| **NET FINANCING ACTIVITIES** | 35,369 | 21,932 | 33,129 | 45,246 | |
| **CHANGE IN FUND BALANCES** | 41,605 | 41,323 | 38,592 | 49,771 | |
| **FUND BALANCES, BEGINNING OF YEAR** | 281,549 | 240,226 | 201,634 | 151,863 | |
| **FUND BALANCES, END OF YEAR** | 323,154 | 281,549 | 240,226 | 201,634 | |

* 1998 Financial data has not been converted to the PSAB basis of accounting and as such, is not comparable.

**THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM**
**STATISTICAL REVIEW (UNAUDITED)**
**December 31, 2002**
(All figures rounded to the nearest thousand unless otherwise stated)

| | 2002 | 2001 | 2000 | 1999 | 1998 |
|---|---|---|---|---|---|
| **Outstanding Obligations** | **$** | **$** | **$** | **$** | **$** |
| **Debt Outstanding** | | | | | |
| Total Long Term Liabilities | 192,140 | 159,252 | 158,737 | 148,253 | 161,679 |
| Overlapping Debt* | (107,116) | (67,589) | (66,206) | (75,685) | (85,525) |
| Net Long Term Liabilites | 85,024 | 91,663 | 92,531 | 72,568 | 76,154 |
| Recovered from: | | | | | |
| Tax Levy/User Rates | 44,639 | 48,169 | 46,097 | 35,013 | 38,569 |
| Other/Reserve Funds | 40,385 | 43,494 | 46,434 | 37,555 | 37,585 |
| | 85,024 | 91,663 | 92,531 | 72,568 | 76,154 |
| Net Long Term Liabilities per capita ($) | $ 154 | $ 173 | $ 176 | $ 141 | $ 151 |
| Net Long Term Liabilities as a % of Total Expenditures (%) | 15.3% | 17.4% | 17.5% | 15.63% | 17.2% |
| **Debt Charges for the current year** | 12,283 | 11,669 | 9,652 | 10,351 | 10,892 |
| **Annual Debt Repayment Limit** | 81,294 | 69,073 | 70,117 | 42,868 | 45,021 |
| **Taxable Assessment (in $ millions)**** | | | | | |
| Residential | 27,413 | 26,328 | 23,126 | 22,593 | 22,181 |
| Industrial and Commercial | 4,049 | 3,930 | 3,689 | 3,671 | 3,557 |
| Total | 31,462 | 30,258 | 26,815 | 26,264 | 25,738 |
| Assessment Analysis | | | | | |
| Annual Assessment Growth Rate | 3.9% | 2.1% | 1.8% | 1.9% | 1.7% |

* School boards and area municipalities

** Current value assessment for 2001 reflects the reassessment from 1996 to 1999 values.

**THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM**
**STATISTICAL REVIEW (UNAUDITED)**
**December 31, 2002**

| | 2002 | 2001 | 2000 | 1999 | 1998 |
|---|---|---|---|---|---|
| **Miscellaneous Information** | | | | | |
| Continuous Employees (#)* | 3,910 | 3,520 | 3,374 | 3,068 | 3,038 |
| Building Permit Values ($ 000) | $ 1,176 | $ 890 | $ 997 | $ 851 | $ 582 |
| Average Monthly Social Assistance Case Load (#) | 6,082 | 6,613 | 7,629 | 9,397 | 11,436 |
| Kilometres of Roads | 2,087 | 2,077 | 2,072 | 2,062 | 2,053 |
| Annual Quantity of Treated Waste Water (Megalitres) | 69,763 | 67,829 | 67,716 | 62,298 | 65,705 |
| Annual Supply of Treated Drinking Water (Megalitres) | 73,558 | 74,409 | 69,801 | 70,708 | 67,510 |
| Annual Disposal of Residential Solid Waste (Metric tonnes) | 145,752 | 146,557 | 140,997 | 142,553 | 144,751 |
| Annual Diversion of Residential Solid Waste (Metric tonnes) | 60,403 | 58,561 | 59,240 | 51,576 | 49,607 |
| * Includes the Durham Regional Police Service | | | | | |
| **Benchmark Information** | | | | | |
| Operating costs for police services $ per household | $ 477 | $ 476 | $ 392 | $ 363 | $ 343 |
| Operating costs for paved (hard top) roads $ per paved lane kilometre | $ 1,134 | $ 1,049 | $ 1,051 | $ 1,032 | $ 1,017 |
| Operating costs for winter maintenance of roadways $ per lane kilometre maintained in winter | $ 1,972 | $ 2,226 | $ 2,221 | $ 1,839 | $ 1,785 |
| Operating costs for collection, treatment and disposal of wastewater $ per megalitre | $ 305 | $ 340 | $ 318 | $ 292 | $ 254 |
| Operating costs for the treatment and distribution of drinking water $ per megalitre | $ 341 | $ 343 | $ 344 | $ 272 | $ 277 |
| Operating costs for solid waste disposal $ per tonne | $ 93 | $ 96 | $ 95 | $ 89 | $ 89 |
| Operating costs for solid waste diversion (recycling) $ per tonne | $ 78 | $ 77 | $ 43 | $ 47 | $ 50 |

**THE CORPORATION OF THE REGIONAL MUNICIPALITY OF DURHAM**
**STATISTICAL REVIEW (UNAUDITED)**
**December 31, 2002**

| | 2002 | 2001 | 2000 | 1999 | 1998 |
|---|---|---|---|---|---|
| **Demographics** | | | | | |
| Population | 551,000 | 531,000 | 526,500 | 514,510 | 502,870 |
| Households | 181,500 | 176,000 | 174,600 | 168,235 | 165,433 |
| Major Employers/Principle Corporate Taxpayers (Number of employees) | | | | | |
| General Motors of Canada | 12,000 | | | | |
| Ontario Power Generation | 8,500 | | | | |
| Durham Public School Board | 6,900 | | | | |
| Region of Durham (including Police) | 3,000 | | | | |
| Lakeridge Health Centre | 2,960 | | | | |
| Durham Catholic School Board | 2,300 | | | | |
| Ministry of Finance | 1,550 | | | | |
| ACSYS Technologies | 1,486 | | | | |
| Lear Corporation | 1,183 | | | | |
| City of Oshawa | 878 | | | | |

The sources for the 5 year Review are as follows:
- Finanical Reports and Financial Information Returns of the Regional Municipality of Durham
- Human Resources Development Canada
- Statistics Canada

# PUBLIC DISCLOSURE OF 2002 SALARIES AND BENEFITS

| Surname | Given Names | Position | Salary Paid $ | Taxable Benefits and Allowances $ |
|---|---|---|---|---|
| ABBEY | PATRICIA L | DENTAL CONSULTANT | 112,355.92 | 638.55 |
| ALLAN | JOHN JOHNSON | DETECTIVE | 103,827.68 | 473.28 |
| ANDREWS | THOMAS MARK | DETECTIVE | 102,009.16 | 473.28 |
| ANTAYA | ROBBIE | CONSTABLE CLASS 1 | 105,296.95 | 379.60 |
| ARMSTRONG | RICHARD JAMES | DIRECTOR, AMBULANCE SERVICES | 110,726.79 | 746.88 |
| BRIGGS | RAYMOND | CORPORATE INFORMATION OFFICER | 109,893.79 | 187.98 |
| BRODIE | IAN J | STAFF SERGEANT | 117,064.50 | 504.28 |
| BURKE | PATRICK JOSEPH | CONSTABLE CLASS 1 | 103,068.09 | 419.85 |
| CAMERON | THOMAS MCCARTNEY | INSPECTOR | 107,393.57 | 621.00 |
| CARROLL | PAUL W | INSPECTOR | 107,836.09 | 621.00 |
| CHAPMAN | ROBERT J | INSPECTOR | 107,393.57 | 621.20 |
| CLAPP | ROBERT J | COMMISSIONER, FINANCE | 151,538.50 | 983.52 |
| CUBITT | GARRY H | CHIEF ADMINISTRATIVE OFFICER | 180,364.08 | 1,174.80 |
| DAVIDSON | PATRICK JOHN | SERGEANT | 111,812.89 | 450.93 |
| DINGWALL | JOHN THOMAS | CONSTABLE CLASS 1 | 101,289.10 | 421.53 |
| DUPONT | RICHARD VIMY | CONSTABLE CLASS 1 | 100,151.11 | 473.53 |
| ENNIS | MICHAEL | INSPECTOR | 108,919.60 | 621.00 |
| EWLES | MICHAEL DAVID | INSPECTOR | 104,619.47 | 614.28 |
| FAZACKERLEY | BRIAN L | STAFF INSPECTOR | 155,219.09 | 661.20 |
| GEORGIEFF | ALEXANDER L | COMMISSIONER, PLANNING | 132,241.92 | 892.83 |
| GILLIS | CYRIL PAUL | CONSTABLE CLASS 1 | 107,595.25 | 419.64 |
| GRANT | JAMES RICHMOND | SERGEANT | 108,888.19 | 473.28 |
| GREEN | CHARLES PATRICK | INSPECTOR | 118,144.04 | 512.19 |
| GREENTREE | KENNETH CRAIG | DETECTIVE | 100,360.72 | 473.28 |
| GRIMLEY | JAMES ALLAN | SERGEANT | 107,078.19 | 473.28 |
| HALL | WALTER L | INSPECTOR | 101,750.65 | 621.00 |
| HAMILTON | PAUL CLARENCE | DETECTIVE SERGEANT | 114,565.97 | 503.52 |
| HEFFERN | JUDY M | DIRECTOR, SERVICES FOR SENIORS | 100,095.98 | 360.90 |
| HOPKINS | WILLIAM ARTHUR | SERGEANT | 101,518.86 | 473.28 |
| KIMMERLY | DAVID RALPH | INSPECTOR | 107,393.57 | 621.00 |
| KYLE | ROBERT J | MEDICAL OFFICER OF HEALTH | 164,309.67 | 1,109.40 |
| LOCKWOOD | JAMES PAUL | SUPERINTENDENT | 119,408.30 | 698.44 |
| LYNCH | LEON PAUL | DETECTIVE | 105,133.93 | 473.28 |
| MACK | ALAN GEORGE | STAFF SERGEANT | 109,458.07 | 503.52 |
| MADILL | PATRICIA M | REGIONAL CLERK | 110,900.25 | 703.81 |
| MARCOUX | STEPHEN HENRY | SERGEANT | 136,506.81 | 473.28 |
| MCALPINE | J KEVIN | CHIEF OF POLICE | 175,558.97 | 1,074.12 |
| MCCORKELL | JOHN ROBERT | COMMISSIONER, WORKS | 145,886.33 | 983.52 |
| MERCIER | CHARLES DAVID | DEPUTY CHIEF | 157,404.21 | 792.12 |
| MILLS | GREGORY LLOYD | SUPERINTENDENT | 120,773.43 | 711.60 |
| MOOY | PAUL ALEXANDER | DETECTIVE | 103,176.13 | 473.28 |
| MORRISON | JOHN L | INSPECTOR | 107,033.17 | 621.00 |
| NADEAU | JEAN PAUL ARTHUR | DETECTIVE | 106,638.59 | 473.28 |
| OLIVE | PATRICK WILLIAM | COMMISSIONER, ECON DEVELOPMENT & TOURISM | 132,241.92 | 892.83 |
| PAPARELLA | GAETANO | CONSTABLE CLASS 1 | 104,586.86 | 419.64 |
| PATERSON | DONALD J | COMMISSIONER, HUMAN RESOURCES | 132,241.92 | 892.83 |

## PUBLIC DISCLOSURE OF 2002 SALARIES AND BENEFITS

| Surname | Given Names | Position | Salary Paid $ | Taxable Benefits and Allowances $ |
|---|---|---|---|---|
| PIUKKALA | ROD | DEPUTY CHIEF | 156,874.21 | 792.12 |
| REID | GREGORY E | INSPECTOR | 103,561.67 | 624.24 |
| REYNOLDS | DONNA | ASST MEDICAL OFFICER OF HEALTH | 134,341.29 | 906.36 |
| ROBERTSON | DAVID NEIL | CONSTABLE CLASS 1 | 101,460.28 | 473.28 |
| ROY | BRIAN J | REGIONAL SOLICITOR | 132,241.92 | 892.83 |
| RYCROFT | JOHN CHARLES | DATA PROCESSING MGR-POLICE | 113,337.89 | 661.20 |
| SAYER | PATRICK GEORGE | STAFF SERGEANT | 104,853.19 | 503.52 |
| SCHOENROCK | DIETMAR ANDREW | INSPECTOR | 104,814.23 | 614.28 |
| STENZEL | CAROLINE F | CONSTABLE CLASS 1 | 112,065.57 | 473.28 |
| STONE | MARK ALLEN | CONSTABLE CLASS 1 | 130,082.58 | 473.35 |
| TEMPLE | WILLIAM FREDERICK | INSPECTOR | 110,033.17 | 621.00 |
| THOMPSON | KENNETH W | DIRECTOR, ENVIRONMENTAL SERVICES | 110,726.79 | 746.88 |
| VALKS | ALBERT GERARD | SERGEANT | 102,238.49 | 473.28 |
| WARD | JEFF W | CONSTABLE CLASS 1 | 102,182.62 | 456.48 |
| WHITEWAY | SHERRY LYN | INSPECTOR | 111,376.16 | 621.00 |
| WILSON | DAVID ROBERT | INSPECTOR | 106,166.88 | 613.36 |
| WOOTTON | IAN JAMES | SUPERINTENDENT | 119,888.30 | 699.17 |
| WRIGHT | JOHN CHARLES | STAFF SERGEANT | 109,886.35 | 503.52 |